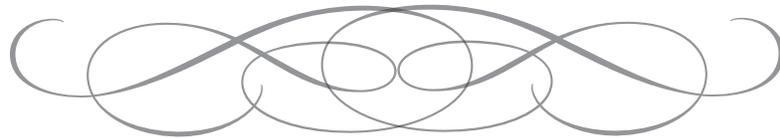


Report of the  
Senate Budget and Taxation Committee  
To the Maryland Senate



2017 SESSION



Recommendations, Reductions, and Summary of  
Action Pertaining to:  
House Bill 150

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## 2017 Budget Assignments

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Morgan State University  
University System of Maryland  
Bowie State University  
Coppin State University  
Frostburg State University  
Overview  
Towson University  
University of Maryland Baltimore County  
University of Maryland Eastern Shore

**Sierra S. Boney**

Comptroller of Maryland  
Department of Labor, Licensing, and Regulation  
Business Regulation  
Workforce Development  
Maryland Commission on Civil Rights  
Maryland Insurance Administration  
Maryland Public Broadcasting Commission  
Secretary of State  
State Archives  
State Treasurer

**Patrick S. Frank**

Department of Budget and Management  
Secretary  
Department of Information Technology  
Maryland General Assembly  
Public Debt  
State Reserve Fund

**Andrew D. Gray**

Chesapeake Bay Overview  
Department of Agriculture  
Department of Natural Resources  
Department of Planning  
Department of the Environment  
Maryland Environmental Service

**Garret T. Halbach**

Aid to Community Colleges  
Baltimore City Community College  
Higher Education Overview  
Maryland Higher Education Commission  
Student Financial Assistance  
St. Mary's College of Maryland

**Lindsey B. Holthaus**

Department of Health and Mental Hygiene  
Chronic Hospitals  
Developmental Disabilities Administration  
Office of Health Care Quality  
Prevention and Health Promotion Administration  
Public Health Administration  
Maryland Health Benefit Exchange

**Matthew D. Klein**

Board of Public Works PAYGO  
Capital Fiscal Briefing (PAYGO Overview)

**Jason A. Kramer**

Department of Housing and Community Development  
Maryland Department of Transportation  
Maryland Aviation Administration  
Maryland Port Administration  
Motor Vehicle Administration  
Maryland Transportation Authority

**Darica S. Lawson**

Board of Public Works  
Department of General Services  
Historic St. Mary's City Commission  
Maryland African American Museum Corporation  
Maryland Tax Court  
Office of the Deaf and Hard of Hearing

**Steven D. McCulloch**

Maryland Department of Transportation  
Debt Service Requirements  
Maryland Transit Administration  
Overview  
Secretary's Office  
State Highway Administration  
Washington Metropolitan Area Transit Authority

**Jordan D. More**

Department of Health and Mental Hygiene  
Administration  
Behavioral Health Administration  
Health Professionals Boards and Commissions  
Health Regulatory Commissions  
Overview  
Payments to Civil Divisions of the State

**Simon G. Powell**

Department of Health and Mental Hygiene  
Medical Care Programs Administration

**Michael C. Rubenstein**

State Retirement Agency

**Rebecca J. Ruff**

Department of Juvenile Services  
Department of Public Safety and Correctional Services  
Division of Correction  
Division of Pretrial Detention  
Overview  
Patuxent Institution  
Department of State Police  
Maryland Emergency Medical System Operations Fund  
Maryland Institute for Emergency Medical Services Systems

**Kyle D. Sieferring**

Interagency Committee on School Construction  
Maryland School for the Deaf  
Maryland State Department of Education  
Aid to Education  
Early Childhood Development  
Funding for Educational Organizations  
Headquarters

**Jody J. Sprinkle**

Department of Commerce  
Maryland Economic Development Corporation  
Maryland Stadium Authority  
Maryland Technology Development Corporation  
State Lottery and Gaming Control Agency

**Jared S. Sussman**

Department of Aging  
Department of Disabilities  
Department of Human Resources  
Administration  
Child Support Enforcement Administration  
Department of Veterans Affairs  
Governor's Office for Children and Interagency Fund  
State Board of Elections

**Laura M. Vykol**

Department of Budget and Management  
Personnel  
Maryland Supplemental Retirement Plans  
Uninsured Employers' Fund

**Kenneth B. Weaver**

Department of Public Safety and Correctional Services  
Administration  
Criminal Injuries Compensation Board  
Division of Parole and Probation  
Maryland Parole Commission  
Police and Correctional Training Commissions  
Governor's Office of Crime Control and Prevention  
Military Department

**Benjamin B. Wilhelm**

Executive Department  
Boards, Commissions, and Offices  
Governor  
Judiciary  
Office of Administrative Hearings  
Office of the Attorney General  
Office of the Public Defender  
Office of the State Prosecutor  
State Department of Assessments and Taxation  
Workers' Compensation Commission

**Tonya D. Zimmerman**

Department of Human Resources  
Family Investment Administration  
Office of Home Energy Programs  
Overview  
Social Services Administration  
Maryland Energy Administration  
Office of People's Counsel  
Public Service Commission

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## Senate Budget and Taxation Committee – Reductions

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed. Funds</u>	<u>Total Funds</u>	<u>Positions</u>
<b>2018 Budget Request</b>						
Judiciary	\$12,229,871	\$0	\$0	\$0	\$12,229,871	6.5
Public Service Commission	0	6,231,927	0	0	6,231,927	
Uninsured Employers' Fund	0	105,900	0	0	105,900	1.0
Executive Department – Boards, Commissions, and Offices	44,456	0	0	0	44,456	
Governor's Office for Children and Interagency Fund	200,000	0	0	0	200,000	
State Board of Elections	1,032,852	0	0	0	1,032,852	
Department of Planning	179,197	0	0	0	179,197	
ΔX Maryland Health Benefit Exchange	0	250,000	0	0	250,000	
Maryland Insurance Administration	0	296,827	0	0	296,827	
Comptroller of Maryland	338,845	37,650	0	0	376,495	
State Lottery and Gaming Control Agency	0	135,613	0	0	135,613	
Department of Information Technology	3,527,000	36,000	27,000	0	3,590,000	
State Retirement Agency	0	550,000	0	0	550,000	
Maryland Department of Transportation – Secretary's Office – Pay-as-you-go	0	16,453,269	0	0	16,453,269	
Department of Agriculture	250,000	0	0	0	250,000	
Department of Health and Mental Hygiene (DHMH) – Health Professionals Boards and Commission	0	1,220,000	0	0	1,220,000	
Department of Human Resources (DHR) – Social Services Administration	519,005	206,024	207,974	0	933,003	
DHR – Family Investment Administration	11,300,000	0	0	0	11,300,000	

XVI

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed. Funds</u>	<u>Total Funds</u>	<u>Positions</u>
Maryland State Department of Education – Aid to Education	6,086,599	0	0	0	6,086,599	
University System of Maryland – Towson University	0	0	0	70,000	70,000	
Maryland Higher Education Commission (MHEC)	2,391,542	0	0	0	2,391,542	
Aid to Community Colleges	296,405	0	0	0	296,405	
MHEC – Student Financial Assistance	430,000	0	0	0	430,000	
State Support for Higher Education Institutions	70,000	0	0	0	70,000	
Department of Commerce	0	16,895,000	0	0	16,895,000	
Department of the Environment	0	5,170,000	0	0	5,170,000	
Public Debt	30,000,000	0	0	0	30,000,000	
<b><i>Subtotal Fiscal 2018 Regular Budget</i></b>	<b><i>\$68,895,772</i></b>	<b><i>\$47,588,210</i></b>	<b><i>\$234,974</i></b>	<b><i>\$70,000</i></b>	<b><i>\$116,788,956</i></b>	<b><i>7.5</i></b>
<b>Fiscal 2018 Total Budget</b>	<b>\$68,895,772</b>	<b>\$47,588,210</b>	<b>\$234,974</b>	<b>\$70,000</b>	<b>\$116,788,956</b>	<b>7.5</b>
<b>Fiscal 2017 Deficiency Budget</b>						
Governor’s Office for Children and Interagency Fund	\$100,775	\$0	\$0	\$0	\$100,775	
DHMH – Prevention and Health Promotion Administration	-7,500,000	0	0	0	-7,500,000	
DHMH – Medical Care Programs Administration	0	10,000,000	0	0	10,000,000	
<b><i>Subtotal Fiscal 2017 Deficiency Budget</i></b>	<b><i>-\$7,399,225</i></b>	<b><i>\$10,000,000</i></b>	<b><i>\$0</i></b>	<b><i>\$0</i></b>	<b><i>\$2,600,775</i></b>	
<b>Total Fiscal 2017 Deficiency Budget</b>	<b>-\$7,399,225</b>	<b>\$10,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,600,775</b>	
<b>Grand Total Budget Bill</b>	<b>\$61,496,547</b>	<b>\$57,588,210</b>	<b>\$234,974</b>	<b>\$70,000</b>	<b>\$119,389,731</b>	<b>7.5</b>

**A15000**  
**Payments to Civil Divisions of the State**

**Budget Amendments**

**A15000.01 Disparity Grants**

Add the following language to the general fund appropriation:

, provided that this appropriation shall be reduced by ~~\$8,443,550~~ \$2,414,665 contingent upon the enactment of legislation ~~level funding the grants at the fiscal 2017 amount~~ modifying the formula for disparity grants.

***Explanation:** This action makes two technical amendments to conform with actions taken to the Budget Reconciliation and Financing Act of 2017.*

Amendment No.

**1**

Add the following language to the general fund appropriation:

Further provided that \$10,000,000 of this appropriation for Baltimore City may not be distributed as a grant to Baltimore City until the Maryland State Department of Education (MSDE) certifies that Baltimore City has appropriated for fiscal 2018 an additional \$10,000,000 for the Baltimore City Public Schools (BCPS) over the fiscal 2017 Maintenance of Effort appropriation. If MSDE does not certify that Baltimore City has appropriated an additional \$10,000,000 for the school system, then the funds may not be distributed as a grant to Baltimore City, and authority is hereby granted to transfer \$10,000,000 to R00A02.01 to be provided as a grant to BCPS. If the funds are not transferred for this purpose, then it may not be expended or transferred for any other purpose and shall revert to the General Fund at the end of the fiscal year.

**Explanation:** This language restricts \$10 million in disparity grant funding for Baltimore City contingent on Baltimore City appropriating for fiscal 2018 an additional \$10 million for BCPS over the fiscal 2017 Maintenance of Effort (MOE) appropriation. MSDE must certify that \$10 million was appropriated as part of the city's MOE appropriation. If the funds are not provided, authority is provided to transfer \$10 million of Baltimore City's disparity grant funding to R00A02.01 to be distributed as a grant to BCPS.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Certification of initial \$10 million MOE appropriation to BCPS	MSDE	45 days prior to the disbursement of funds

## A15000

Add the following language to the general fund appropriation:

Further provided that \$6,028,886 of the appropriation made for the purpose of disparity grants shall not be expended until each of the following jurisdictions certify that it will spend the following amounts, equal to what that particular jurisdiction receives in excess of the fiscal 2017 grant, to increase local spending on public schools above the amount required to meet maintenance of effort for fiscal 2018:

<u>Baltimore City</u>	<u>946,445</u>
<u>Cecil County</u>	<u>196,240</u>
<u>Prince George's County</u>	<u>4,245,462</u>
<u>Washington County</u>	<u>52,938</u>
<u>Wicomico County</u>	<u>587,801</u>

Further provided that on or before January 1, 2018, the Maryland State Department of Education shall submit certification to the budget committees to demonstrate that each jurisdiction has provided the appropriate increase in local spending on public schools above the amount required to meet maintenance of effort in order to have the funds released. The budget committees shall have 45 days to review and comment upon the receipt of the certification. These funds may not be transferred by budget amendment or otherwise to any other purpose, and if not expended shall revert to the General Fund.

**Explanation:** This language restricts funding from the disparity grants for each jurisdiction receiving an increase in fiscal 2018 until the Maryland State Department of Education (MSDE) certifies that each jurisdiction has increased local spending on public schools above the amount required to meet maintenance of effort by an amount that is equal to the fiscal 2018 increase that each jurisdiction would receive from the disparity grants. The certification shall be due by January 1, 2018.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Certification that additional local funding has been provided to public schools	MSDE	January 1, 2018

Amendment No.

2

# C00A Judiciary

## Budget Amendments

Add the following language:

Provided that \$6,257,414 in general funds for employee merit salary increases is reduced. The Chief Judge is authorized to allocate the reduction across the Judiciary.

**Explanation:** This action eliminates funding for merit salary increases for Judiciary employees. There is no general merit increase for State employees in the Governor's budget.

Amend the following language:

Further provided that ~~\$3,913,974~~ \$1,000,000 in general funds is reduced. The Chief Judge shall allocate this reduction across the Judiciary.

**Explanation:** This action eliminates ~~\$3.9 million~~ \$1 million in fiscal 2018 with the intent that the Judiciary use \$3.9 million in encumbered funds appropriated from fiscal 2012 to 2015 to fund fiscal 2018 expenses. It is the intent of the General Assembly that these previously encumbered funds not be reverted to the General Fund upon cancellation of any prior agreements to expend those funds. *The Chief Judge is authorized to allocate this reduction across the Judiciary.*

Amendment No.

3

## C00A00.02 Court of Special Appeals

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Eliminate funding for 0.5 new position in the Court of Special Appeals. This position is being denied due to the fiscal condition of the State and the Spending Affordability Committee's recommendation that total State employment not be increased in fiscal 2018.	36,053	GF	0.50
Total Reductions	36,053		0.50

**C00A**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	106.00	105.50		0.50
General Fund	12,737,667	12,701,614	36,053	
<b>Total Funds</b>	<b>12,737,667</b>	<b>12,701,614</b>	<b>36,053</b>	

**C00A00.03 Circuit Court Judges**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Eliminate funding for 2 new positions in the circuit court judges. These positions are being denied due to the fiscal condition of the State and the Spending Affordability Committee’s recommendation that total State employment not be increased in fiscal 2018.	268,888 GF	2.00
 Total Reductions	 268,888	 2.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	428.00	426.00		2.00
General Fund	70,287,550	70,018,662	268,888	
<b>Total Funds</b>	<b>70,287,550</b>	<b>70,018,662</b>	<b>268,888</b>	

**C00A00.04 District Court**

Add the following language to the general fund appropriation:

, provided that \$8,500,000 of the general fund appropriation may be expended only for the purpose of providing attorneys for required representation at initial appearances before District Court commissioners consistent with the holding of the Court of Appeals in DeWolfe v. Richmond. Any funds not expended for this purpose shall revert to the General Fund.

**Explanation:** This language restricts the use of \$8.5 million of the Judiciary’s general fund appropriation for the implementation of DeWolfe v. Richmond.

## C00A

Add the following language to the general fund appropriation:

Further provided that \$1,500,000 of the general fund appropriation for the Appointed Attorney Program is reduced contingent upon the failure of SB 714.

**Explanation:** This action reduces the Appointed Attorney Program appropriation by \$1.5 million if SB 714 fails. SB 714 shifts responsibility for indigency determinations from the Office of the Public Defender (OPD) to the Judiciary. Currently, District Court commissioners make preliminary determinations as to whether arrestees are eligible for an appointed attorney at their initial appearance, and OPD later makes the final determination. These funds were included in the budget allowance for the Appointed Attorney Program but are not needed for that purpose based on an updated cost estimate.

4

Amendment No.

Reduce appropriation for the purposes indicated:	<u>Funds</u>		<u>Positions</u>
1. Eliminate funding for 1.5 new positions in the District Court. These positions are being denied due to the fiscal condition of the State and the Spending Affordability Committee's recommendation that total State employment not be increased in fiscal 2018.	70,404	GF	1.50
2. <del>Reduce the appropriation for the Appointed Attorney Program from \$10.0 million to \$8.5 million. Actual expenditures in fiscal 2015 and 2016 were \$8.1 million and are on a similar trajectory through the first half of fiscal 2017.</del>	1,500,000	GF	
3. <del>Eliminate funding for 13 new full-time equivalents for District Court bailiffs. These funds are being denied due to the fiscal condition of the State.</del>	392,557	GF	
4. Reduce funding for travel to half the requested increase. This reduction is intended to be spread across the Judiciary with the exception of the Clerks of the Circuit Court.	225,000	GF	

**C00A**

- |  |                        |
|--|------------------------|
| 5. Reduce funding for supplies. This reduction is intended to be spread across the Judiciary with the exception of the Clerks of the Circuit Court. This action is to eliminate the unjustified portion of an 11.1% increase for this class of expenditures.   | 311,757 GF             |
| 6. Reduce funding for new and replacement office furniture. This reduction is intended to be spread across the Judiciary with the exception of the Clerks of the Circuit Court. This action is to eliminate the unjustified portion of a 29% increase in these expenditures across the Judiciary due to the fiscal condition of the State. | 421,600 GF             |
| 7. Reduce the appropriations for select comptroller subobjects within the District Court program for which an 8% inflation rate over the most recent actual expenditure has been applied without justification. This action reduces these appropriations to the same level as fiscal 2017.   | 454,102 GF             |
| Total Reductions   | 3,375,420<br>1,482,863 |

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,531.00	1,529.50		1.50
General Fund	191,769,037	<del>188,393,617</del> 190,286,174	3,375,420 1,482,863	
<b>Total Funds</b>	<b>191,769,037</b>	<b><del>188,393,617</del></b> <b>190,286,174</b>	<b>3,375,420</b> <b>1,482,863</b>	

Amendment No.

**5**

## C00A

### Committee Narrative

**Appointed Attorney Program Costs and Utilization:** The committees remain interested in the costs and operations of the Appointed Attorney Program and the State's efforts to comply with the DeWolfe v. Richmond decision. The committees request a report detailing the fiscal 2017 costs and utilization of the Appointed Attorney Program.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Appointed Attorney Program costs and utilization	Judiciary	October 1, 2017

### Budget Amendments

#### C00A00.06 Administrative Office of the Courts

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Eliminate 1.35 new positions in the Administrative Office of the Courts. These positions are being denied due to the fiscal condition of the State and the Spending Affordability Committee's recommendation that total State employment not be increased in fiscal 2018.	69,475 GF	1.35
Total Reductions	69,475	1.35

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	237.85	236.50		1.35
General Fund	68,767,932	68,698,457	69,475	
Special Fund	17,000,000	17,000,000	0	
Federal Fund	57,485	57,485	0	
<b>Total Funds</b>	<b>85,825,417</b>	<b>85,755,942</b>	<b>69,475</b>	

## C00A

### Committee Narrative

**Budget Practices in the Clerks of the Circuit Court:** The committees are concerned that the budget process between the Clerks of the Circuit Court and the Administrative Office of the Court leads to inflated budget requests for the clerks. The committees request a report detailing the current budget review process for the Clerks of the Circuit Court and recommendations to ensure that future budget requests reflect actual needs.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Budget practices in the Clerks of the Circuit Court	Judiciary	November 1, 2017

### Budget Amendments

#### C00A00.07 Court Related Agencies

	<u>Funds</u>	<u>Positions</u>
Reduce appropriation for the purposes indicated:		
1. Eliminate funding for 0.25 new position in the Court Related Agencies program. This position is being denied due to the fiscal condition of the State and the Spending Affordability Committee's recommendation that total State employment not be increased in fiscal 2018.	18,026 GF	0.25
Total Reductions	18,026	0.25

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	17.00	16.75		0.25
General Fund	3,370,718	3,352,692	18,026	
<b>Total Funds</b>	<b>3,370,718</b>	<b>3,352,692</b>	<b>18,026</b>	

**C00A**

**C00A00.08 State Law Library**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Eliminate 0.4 new position in the State Law Library. This position is being denied due to the fiscal condition of the State and the Spending Affordability Committee's recommendation that total State employment not be increased in fiscal 2018.	17,711 GF	0.40
 Total Reductions	 17,711	 0.40

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	17.40	17.00		0.40
General Fund	3,538,469	3,520,758	17,711	
Special Fund	9,400	9,400	0	
<b>Total Funds</b>	<b>3,547,869</b>	<b>3,530,158</b>	<b>17,711</b>	

**C00A00.09 Judicial Information Systems**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Eliminate <del>5.5</del> 0.5 new positions in Judicial Information Systems. These positions are being denied due to the fiscal condition of the State and the Spending Affordability Committee's recommendation that total State employment not be increased in fiscal 2018.	400,024 GF 23,190 GF	5.50 0.50
 Total Reductions	 400,024 23,190	 5.50 0.50

**C00A**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	144.75	<del>139.25</del> 144.25		<del>5.50</del> 0.50
General Fund	43,487,993	<del>43,087,969</del> 43,464,803	400,024 23,190	
Special Fund	8,700,234	8,700,234	0	
<b>Total Funds</b>	<b>52,188,227</b>	<del><b>51,788,203</b></del> <b>52,165,037</b>	<b>400,024</b> <b>23,190</b>	

Amendment No.

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**Committee Narrative**

**Development of Statewide Cybersecurity Policy:** The committees are concerned about cybersecurity and recognize the need for all units of State government to implement and follow robust cybersecurity policies and appreciate the Judiciary’s plan to develop and invest in such a policy and believe that the Judicial Information Systems (JIS) and the Department of Information Technology (DoIT) should consider working together to develop a unified cybersecurity policy. The committees request a joint report on the current status of the State’s cybersecurity policies and the feasibility of creating and adopting a unified cybersecurity policy for the Executive and Judicial branches.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on statewide cybersecurity policy	JIS DoIT	November 1, 2017

## C00A

### Budget Amendments

#### C00A00.10 Clerks of the Circuit Court

Amend the following language to the general fund appropriation:

, provided that this appropriation is reduced by \$4,056,251 \$3,056,251. The Chief Judge shall allocate the reduction across the Clerks of the Circuit Court program.

**Explanation:** This action reduces the total general fund appropriation for the Clerks of the Circuit Court and provides authority to the Chief Judge to allocate the reduction across the program. Funds of ~~\$1.0 million~~ \$2 million for the Clerks of the Circuit Court above the fiscal 2017 appropriation are not reduced, with the intent that those funds be reallocated by the Chief Judge to fund expenditures in the Administrative Office of the Courts.

Amendment No.

**7**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. <del>Eliminate 10 new positions in the Clerks of the Circuit Court. These positions are being denied due to the fiscal condition of the State and the Spending Affordability Committee's recommendation that total State employment not be increased in fiscal 2018.</del>	460,935	GF	10.00
	49,571	SF	
 Total Reductions	 510,506 0		 10.00 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,463.00	1,453.00 1,463.00		10.00 0.00
General Fund	99,432,611	98,971,676 99,432,611	460,935 0	
Special Fund	21,240,776	21,191,205 21,240,776	49,571 0	
<b>Total Funds</b>	<b>120,673,387</b>	<b>120,162,881</b> <b>120,673,387</b>	<b>510,506</b> <b>0</b>	

Amendment No.

**8**

## C00A

### Committee Narrative

**Defendant Contact Information and Appearance Reminders:** There is growing evidence that courts can substantially reduce failure to appear (FTA) rates for criminal defendants by reminding those individuals of their scheduled appearance by telephone call or text message. The budget committees have learned that the Maryland Judiciary does not currently collect the contact information (particularly telephone numbers) of pretrial defendants and, therefore, could not implement such a reminder system. Therefore, the committees request that the Judiciary submit a report detailing any contact information it currently collects from defendants, the necessary steps to collect additional data, and the feasibility of implementing a reminder system for court appearances to reduce FTA rates.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Defendant contact information and appearance reminders	Judiciary	August 1, 2017

**C85E00**  
**Maryland Tax Court**

**Committee Narrative**

**C85E00.01 Administration and Appeals**

**Report on Maryland Tax Court’s Current Hardware Systems Upgrade Schedule and Plan for Database Management System Implementation:** Given Maryland Tax Court’s (MTC) role as the highest administrative level in the State and local tax-related appeals process and its ability to reduce the burden on the courts, the committees request that MTC report on its current hardware upgrade schedule, compatibility of current software with the next upgrade, and formal estimate for the cost of forward compatible software.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
MTC information technology upgrade plan	MTC	December 1, 2017

**C90G00**  
**Public Service Commission**

**Budget Amendments**

**C90G00.01 General Administration and Hearings**

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce Customer Investment Fund (CIF) appropriation based on the fiscal 2018 disbursement schedule. In January 2017, the Public Service Commission issued two orders that contained the disbursement schedule for all remaining CIF. The schedule includes fiscal 2018 disbursements of reallocated funds, fund interest, and available funding due to prior year undisbursed funds. The total available funding for disbursement to Baltimore City in fiscal 2018 is approximately \$7.6 million, which is less than the appropriation. This reduction brings the appropriation in line with planned fiscal 2018 disbursements and remaining CIF.	6,231,927 SF	

Total Reductions	6,231,927	0.00
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<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	62.00	62.00		0.00
Special Fund	24,859,321	18,627,394	6,231,927	
<b>Total Funds</b>	<b>24,859,321</b>	<b>18,627,394</b>	<b>6,231,927</b>	

**C96J00**  
**Uninsured Employers' Fund**

**Budget Amendments**

**C96J00.01 General Administration**

Add the following language to the special fund appropriation:

*, provided that PIN 092697 administrative manager senior I position shall be abolished and this appropriation reduced by \$105,900 to eliminate associated salary and fringe benefits of this position. The incumbent in this position may fill a currently authorized position.*

**Explanation:** *This language abolishes PIN 092697 administrative manager senior I position and reduces the special fund appropriation by \$105,900 to eliminate associated salary and fringe benefits of this position. The role of this position at the Uninsured Employers' Fund is not justified.*

Amendment No.

**9**

**Committee Narrative**

**Hiring Freeze Exemption:** It is the intent of the budget committees that the Uninsured Employers' Fund be exempt from hiring freeze restrictions, given that the agency is entirely funded through a dedicated special fund source.

**D05E**  
**Board of Public Works**

**Committee Narrative**

**D05E01.10 Miscellaneous Grants to Private Non-Profit Groups**

**Continuing Operational Reporting:** Adopt committee narrative requesting continuing operational reporting. In continuance of the practice that began July 2008, the committees request that the Maryland Zoological Society submit:

- audited financial statements for fiscal 2018; and
- year-to-date monthly attendance figures for the zoo for fiscal 2018 (by visitor group).

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Audited financials	Maryland Zoological Society	November 1, 2017
Attendance reports	Maryland Zoological Society	Monthly

**D13A13**  
**Maryland Energy Administration**  
**Executive Department**

**Committee Narrative**

**D13A13.03 State Agency Loan Program – Capital Appropriation**

**Potential for Merging the Jane E. Lawton Conservation Loan Program and State Agency Loan Program:** Since the creation of the Jane E. Lawton Conservation Loan Program (JELLP) from the merger of prior programs, the JELLP has experienced difficulties in encumbering funds. The State Agency Loan Program (SALP) has been more successful in encumbering funds and, in fiscal 2017, received requests totaling more than its appropriation. Despite the high demand, the funds planned in the 2017 Capital Improvement Program for the SALP are limited by the fund balance. The committees are interested in improving the efficiency of both programs by considering the options for merging the programs. The committees request that the Maryland Energy Administration (MEA), in conjunction with the Department of Budget and Management (DBM), review the potential for merging the programs and report on legislation that would be required and any program changes that would be necessary to complete such a merger.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on potential for merging the JELLP and the SALP	MEA DBM	December 15, 2017

**Budget Amendments**

**D13A13.08 Renewable and Clean Energy Programs and Initiatives**

Add the following language to the special fund appropriation:

, provided that \$1,200,000 of this appropriation made for the purpose of the Electric Vehicle Recharging Equipment Rebate Program is contingent on the enactment of HB 406 or SB 315, which extends the electric vehicle recharging equipment rebate program beyond fiscal 2017.

**Explanation:** The fiscal 2018 allowance of the Renewable and Clean Energy Programs and Initiatives of the Maryland Energy Administration includes \$1.2 million to support an extended and expanded Electric Vehicle Recharging Equipment Rebate Program. Chapters 359 and 360 of 2014 established the program for fiscal 2015 through 2017. If the program is not extended by legislation, the funds are not required because the program is scheduled to terminate.

## D13A13

Add the following language to the special fund appropriation:

Further provided that \$1,500,000 of this appropriation made for the purpose of the Maryland Energy Innovation Fund is contingent on the enactment of HB 410 or SB 313, which creates the Maryland Energy Innovation Institute and the Maryland Energy Innovation Fund.

**Explanation:** The fiscal 2018 allowance of the Renewable and Clean Energy Programs and Initiatives in the Maryland Energy Administration (MEA) includes \$1.5 million for the Maryland Energy Innovation Fund, which will support the Maryland Clean Energy Center (MCEC) and the Maryland Energy Innovation Institute. The \$1.5 million included in the fiscal 2018 MEA budget is the first year of a planned five years of transfers from the Strategic Energy Investment Fund to the Maryland Energy Innovation Fund. The Maryland Energy Innovation Institute is a planned joint collaboration between MCEC and the University of Maryland Energy Research Center. Neither the institute nor the fund currently exist. These funds are unnecessary without the enactment of legislation to create the fund and institute.

### Committee Narrative

**Planned Uses of the Seed Funding for the Maryland Energy Innovation Fund:** SB 313/HB 410 establishes a new Maryland Energy Innovation Institute and a new Maryland Energy Innovation Fund (MEIF). The MEIF is to be used by both the institute and for administrative and operating support of the Maryland Clean Energy Center (MCEC). The legislation establishes seed funding for the MEIF through transfers from the Strategic Energy Investment Fund of \$1.5 million in each fiscal 2018 through 2022. The fiscal 2018 budget includes the first year of these transfers. Little is known about how these funds will be used and how much will be available from the funds to support MCEC. The committees request that the Maryland Energy Administration (MEA), in conjunction with MCEC and the Maryland Energy Innovation Institute, report on how seed funds in fiscal 2018 will be used and how much of the funding will be available to support MCEC.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on planned uses of the MEIF seed funding	MEA MCEC Maryland Energy Innovation Institute	September 1, 2017

## D13A13

**Programs for Residential or State Government Customers:** To fully understand the scope of work and impact of programs offered by the Maryland Energy Administration (MEA), the committees request that MEA provide a report on recent and current programs offered by the agency impacting residential and State government customers including:

- clean energy communities low- and moderate-income grant program;
- clean energy grant program;
- Electric Vehicle Charging Equipment Rebate Program;
- energy education;
- building code programs;
- appliance rebate program;
- home performance rebate program;
- multifamily energy efficiency program;
- State agency loan program;
- State agency building energy efficiency program;
- federal advancing energy efficiency for public buildings grant; and
- alternative transportation programs.

The report should include for each program (1) a description of the performance measures collected (or planned); (2) a description of how MEA evaluates (or plans to evaluate the program); (3) program expenditures by fiscal year for fiscal 2010 to 2017 (to the extent available); (4) number of customers served by fiscal year for fiscal 2010 to 2017 (to the extent available); (5) annual energy savings by fiscal year for fiscal 2010 to 2017 (to the extent available); (6) kilowatt hours of renewable energy installed by fiscal year for fiscal 2010 to 2017 (to the extent available); and (7) program requirements.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Programs for residential and State government customers	MEA	July 1, 2017

**D15A05**  
**Executive Department – Boards, Commissions, and Offices**

**Budget Amendments**

**D15A05.05 Governor’s Office of Community Initiatives**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Reduce funding for travel. These funds are being denied due to the fiscal condition of the State.	20,000 GF	
2. Reduce funding to eliminate 0.5 new contractual full-time equivalents in the Governor’s Office of Community Initiatives. This position is being denied due to the fiscal condition of the State.	24,456 GF	
 Total Reductions	 44,456	 0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	26.80	26.80		0.00
General Fund	2,458,459	2,414,003	44,456	
Special Fund	296,162	296,162	0	
Federal Fund	5,349,549	5,349,549	0	
<b>Total Funds</b>	<b>8,104,170</b>	<b>8,059,714</b>	<b>44,456</b>	

**D15A0516**  
**Governor's Office of Crime Control and Prevention**

**Committee Narrative**

**Implementing the Justice Reinvestment Act:** Chapter 515 of 2016, the Justice Reinvestment Act (JRA), established Maryland's path to comprehensive criminal justice reform by altering provisions relating to sentencing, corrections, parole, and the supervision of offenders. The Governor's Office of Crime Control and Prevention (GOCCP) houses the Justice Reinvestment Oversight Board, which is charged with monitoring the progress and compliance with the implementation of Chapter 515. GOCCP should report to the committees with an update on the status of the JRA implementation and how the provisions taking effect on October 1, 2017, will impact the agency's fiscal 2018 outlook.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Implementing the JRA	GOCCP	December 1, 2017

**D18A18**  
**Governor's Office for Children**  
**Executive Department**

**Budget Amendments**

**D18A18.01 Governor's Office for Children**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. This action reduces administrative expenses by \$100,000 in general funds.	100,000	GF
 Total Reductions	 100,000	 0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	16.00	16.00		0.00
General Fund	1,929,325	1,829,325	100,000	
<b>Total Funds</b>	<b>1,929,325</b>	<b>1,829,325</b>	<b>100,000</b>	

**Committee Narrative**

**Out-of-home Placements:** To facilitate evaluation of Maryland's family preservation programs in stemming the flow of children from their homes, the Governor's Office for Children (GOC), on behalf of the Children's Cabinet, is requested to prepare and submit to the budget committees a report on out-of-home placements containing data on the total number of out-of-home placements and entries by jurisdiction over the previous three years and similar data on out-of-state placements. The report should also provide information on the costs associated with out-of-home placements, the reasons for new placements, and an evaluation of data derived from the application of the Maryland Family Risk Assessment. Data should also be collected concerning indicated findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of case closure. Each agency or administration that funds or places children and youth in out-of-home placements is requested to work closely with GOC and comply with any data requests necessary for production of the report.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on out-of-home placements	GOC	December 15, 2017

**D26A07**  
**Department of Aging**

**Budget Amendments**

**D26A07.01 General Administration**

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <del>Delete 3.0 regular positions that have been vacant for an extended period (002200, 002406, and 050701), and increase turnover to 7.5%.</del>	201,292 GF	3.00
	123,070 FF	
Total Reductions	324,362	3.00
	0	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	41.70	38.70 41.70		3.00 0.00
General Fund	2,731,999	2,530,707 2,731,999	201,292 0	
Special Fund	550,548	550,548	0	
Federal Fund	2,211,253	2,088,183 2,211,253	123,070 0	
<b>Total Funds</b>	<b>5,493,800</b>	<b>5,169,438</b> <b>5,493,800</b>	<b>324,362</b> <b>0</b>	

Amendment No.

**10**

**Committee Narrative**

**Report on Pilot Programs:** *The Maryland Department of Aging (MDOA) has indicated that it is currently piloting new programs intended to address various needs of the senior community. The department should provide a report that details ongoing and planned pilot programs. The report should detail target population, program location, partnerships, and structure of each program. The report should include goals and performance indicators for each pilot program.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report on pilot programs</i>	<i>MDOA</i>	<i>December 1, 2017</i>

**D28A03**  
**Maryland Stadium Authority**

**Committee Narrative**

**Maryland Stadium Authority’s Economic Development Role:** The budget committees have observed that the Maryland Stadium Authority’s (MSA) role has expanded from a stadium construction and management entity to an instrument for economic development and community projects. However, there does not appear to be adequate cooperation or integration between MSA and the State’s economic development agencies. Legislation that was enacted as a result of recommendations from the Maryland Economic Development and Business Climate Commission ensured strategic alignment between the Department of Commerce (Commerce), the Maryland Economic Development Corporation (MEDCO), and the Maryland Technology Development Corporation by securing each entity a place on MEDCO. However, there was no recognition of the role MSA plays in the statewide economic and community development projects. The budget committees request that MSA and Commerce report on how MSA cooperates with the State’s economic development agencies and how MSA’s projects fit into the State’s economic development strategic plan. The report should consider ways to improve collaboration, including the expansion of MSA’s board to accommodate a State economic development representative, the expansion of MEDCO to include an MSA representative, and the establishment of a role for Commerce in the review of MSA feasibility studies. Any recommendations contained in the report should encourage collaboration while maintaining MSA’s existing financial autonomy and authority. The report should be submitted to the budget committees by December 1, 2017.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on MSA’s role in statewide economic development	MSA Commerce	December 1, 2017

**D38I01**  
**State Board of Elections**

**Budget Amendments**

**D38I01.04 Campaign Finance Fund**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. <i>Delete the appropriation into the Fair Campaign Finance Fund.</i>	1,032,852	GF
<i>Total Reductions</i>	1,032,852	

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
<i>General Fund</i>	1,032,852	0	1,032,852	
<b><i>Total Funds</i></b>	<b>1,032,852</b>	<b>0</b>	<b>1,032,852</b>	

Amendment No. 11

**D40W01**  
**Department of Planning**

**Budget Amendments**

**D40W01.07 Management Planning and Educational Outreach**

Add the following language:

Contingent upon enactment of HB 152 or SB 172 with a provision to repeal a grant to the Maryland Humanities Council, authorization to expend reimbursable funds is reduced by \$150,000.

**Explanation:** The Budget Reconciliation and Financing Act (BRFA) of 2017 strikes the requirement that funding be allocated to the Maryland Humanities Council from the State Lottery Fund per Chapter 727 of 2016 (The Maryland International and Preakness Stakes Incentive Act of 2016). This action reduces the reimbursable fund appropriation if the BRFA provision is enacted.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Delete</del> <i>Reduce</i> funding for the Non-Capital Grant Program. The fiscal 2018 allowance includes \$379,197 in general funds – the first such funding for the Non-Capital Grant Program since fiscal 2012. <del>The State’s current fiscal situation does not support an increase in funding for new or reestablished initiatives.</del>	379,197 GF 179,197 GF	
Total Reductions	379,197 179,197	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	12.00	12.00		0.00
General Fund	1,491,615	1,112,418 1,312,418	379,197 179,197	
Special Fund	3,221,675	3,221,675	0	
Federal Fund	852,662	852,662	0	
<b>Total Funds</b>	<b>5,565,952</b>	<b>5,186,755</b> <b>5,386,755</b>	<b>379,197</b> <b>179,197</b>	

Amendment No.

**12**

## D53T00

# Maryland Institute for Emergency Medical Services Systems

## Committee Narrative

### D53T00.01 General Administration

**Evaluating the Impact of Emergency Department Overcrowding:** Emergency department (ED) overcrowding increased significantly in fiscal 2016. This has a direct impact on emergency medical services (EMS) availability and response times, as well as patient care. Data is not currently available to evaluate the specific impact overcrowding has on Maryland patients. The budget committees direct the Maryland Institute for Emergency Medical Services Systems (MIEMSS) to work with the Health Services Cost Review Commission (HSCRC) to evaluate the impact of hospital overcrowding on EMS response times and Maryland's patient population and to develop a plan to address the overcrowding issue. The report is due to the budget committees no later than December 15, 2017.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Impacts of ED overcrowding	MIEMSS HSCRC	December 15, 2017

**Mobile Integrated Healthcare Programs:** The Maryland Institute for Emergency Medical Services Systems (MIEMSS) is part of an initiative to implement Mobile Integrated Healthcare (MIH) programs, in an effort to reduce unnecessary use of 911 and unnecessary transports to hospital emergency departments for minor medical complications. With the significant increase in hospital overcrowding in fiscal 2016, the budget committees direct MIEMSS to evaluate the impact of existing MIH programs and explore the potential for further expansion. The evaluation should include a cost-benefit analysis of the program and potential solutions to the lack of secured funding for emergency medical services' participation. The report is due to the budget committees no later than November 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
MIH programs	MIEMSS	November 1, 2017

**D55P00**  
**Department of Veterans Affairs**

**Budget Amendments**

**D55P00.05 Veterans Home Program**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. <del>Reduce general funds for the Maryland Environmental Service cost allocation. The general fund reduction can be offset by using federal funds that are included in the fiscal 2018 allowance for a Western Maryland veterans home feasibility study that is unnecessary.</del>	150,000	GF
 Total Reductions	150,000 0	

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	5.00	5.00		0.00
General Fund	3,348,759	<del>3,198,759</del> 3,348,759	150,000 0	
Special Fund	3,070,685	3,070,685	0	
Federal Fund	15,150,000	15,150,000	0	
<b>Total Funds</b>	<b>21,569,444</b>	<b><del>21,419,444</del></b> <b>21,569,444</b>	<b>150,000</b> <b>0</b>	

Amendment No.

**13**

Strike the following language:

~~provided that no portion of this appropriation made for the purpose of the Veterans Home Program may be expended for a feasibility study of a Western Maryland veterans home.~~

**Explanation:** Intended for a feasibility study of a Western Maryland veterans home is \$150,000 of this appropriation, which the Department of Veterans Affairs has already deemed unfeasible. The funds intended for this purpose can be used to offset the general fund costs of Maryland Environmental Service charges.

Amendment No.

**14**

## D55P00

### Committee Narrative

**Charlotte Hall Veterans Home Staffing Report:** The Office of Legislative Audits' (OLA) most recent fiscal compliance audit of the Maryland Department of Veterans Affairs (MDVA) identified that the department did not reduce payments to the vendor operating Charlotte Hall Veterans Home (CHVH) when required staffing was not provided. Two positions were vacant for the entire 15-month period (January 2015 through March 2016) that OLA reviewed and 1 additional position was vacant for approximately 5 months. OLA estimated that MDVA could have reduced payments by \$180,000 in this period.

There is concern that payments were made to the vendor for long-term vacant positions. MDVA should submit a report that provides historical vacancy rates at CHVH from the beginning of the current contract (October 2010) and monthly vacancy rates at CHVH for the period April 2016 through June 2017. For all positions identified as vacant for greater than 45 days, the department should provide the date that each became vacant and the date that each was filled, if applicable. All available salary information should be provided for identified vacancies and the sum of payments made to the vendor that can be attributed to identified vacancies.

The department should explain the extent to which it is possible to recover payments made to the contractor related to long-term vacancies.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
CHVH staffing report	MDVA	July 31, 2017

**D78Y01**  
**Maryland Health Benefit Exchange**

**Committee Narrative**

**D78Y01.01 Maryland Health Benefit Exchange**

***Federal Enactment of Health Care Reform:** Given recent proposed federal legislation reforming the current health care system for qualified health plans, the committees request that the Maryland Health Benefit Exchange (MHBE) submit a report 60 days after the enactment of any legislation at the federal level that impacts the operation of MHBE or qualified health plans. The report should include the impact of the legislation on qualified health plans, review potential changes that need to be made to plans as a result of those changes, and also establish a timeline for the implementation of any necessary changes.*

<i><b>Information Request</b></i>	<i><b>Author</b></i>	<i><b>Due Date</b></i>
<i>Federal enactment of health care reform</i>	<i>MHBE</i>	<i>60 days after enactment of federal legislation impacting qualified health plans</i>

**Budget Amendments**

**D78Y01.02 Major Information Technology Development Projects**

Add the following language to the special fund appropriation:

. provided that \$250,000 of this appropriation intended for the purpose of information technology for qualified health plans may not be expended. These funds may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund at the end of the year.

**Explanation:** This language reduces the special fund appropriation by \$250,000 for information technology enhancements for qualified health plans. These funds will revert to the General Fund at the end of the year.

## D78Y01

### Committee Narrative

**Managed Care Organization Information Technology Project Report:** The Maryland Health Benefit Exchange (MHBE) is in the process of planning and implementing a Managed Care Organization (MCO) Information Technology (IT) project that will more fully integrate MCO plans with MHBE. Specifically, Medicaid-eligible individuals will be provided with an option to select an MCO during the application process. MHBE has indicated that the project will consist of provider directory, website, and phone application components, and that the project is scheduled to be completed by September 2017 in time for the next open enrollment period.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
MCO IT project status	MHBE	August 1, 2017

**D80Z01**  
**Maryland Insurance Administration**

**Budget Amendments**

**INSURANCE ADMINISTRATION AND REGULATION**

**D80Z01.01 Administration and Operations**

Reduce appropriation for the purposes indicated:	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce special funds for 2 of the new contractual positions. The Maryland Insurance Administration should reclassify current vacant positions because of vacancies higher than expected turnover.	296,827 SF	
 Total Reductions	 296,827	 0.00

<u><b>Effect</b></u>	<u><b>Allowance</b></u>	<u><b>Appropriation</b></u>	<u><b>Amount Reduction</b></u>	<u><b>Position Reduction</b></u>
Position	257.00	257.00		0.00
Special Fund	31,774,000	31,477,173	296,827	
Federal Fund	728,701	728,701	0	
<b>Total Funds</b>	<b>32,502,701</b>	<b>32,205,874</b>	<b>296,827</b>	

**Committee Narrative**

***Long-term Care Insurance:** The committees are concerned about the cost and availability of long-term care insurance and request that the Maryland Insurance Administration (MIA) report on potential inflation protection options for long-term care insurance consumers and the possible effect that the protections would have on the current market. The report should also include the feasibility of a two- or five-year moratorium on rate increases and the effect a moratorium would have on the current market.*

<i><b>Information Request</b></i>	<i><b>Authors</b></i>	<i><b>Due Date</b></i>
<i>Long-term care insurance</i>	<i>MIA</i>	<i>October 1, 2017</i>

**E00A**  
**Comptroller of Maryland**

**Budget Amendments**

**REVENUE ADMINISTRATION DIVISION**

**E00A04.01 Revenue Administration**

Reduce appropriation for the purposes indicated:

1. Increase turnover expectancy to ~~4.15%~~ 4.4%.

**Funds**                      **Positions**

170,840 ~~GF~~  
338,845 ~~GF~~  
18,982 ~~SF~~  
37,650 ~~SF~~

Total Reductions

~~189,822~~  
376,495

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	366.60	366.60		0.00
General Fund	29,000,127	<del>28,829,287</del> 28,661,282	170,840 338,845	
Special Fund	4,761,284	<del>4,742,302</del> 4,723,634	18,982 37,650	
<b>Total Funds</b>	<b>33,761,411</b>	<b><del>33,571,589</del></b> <b>33,384,916</b>	<b><del>189,822</del></b> <b>376,495</b>	

Amendment No.

**15**

**Committee Narrative**

***Processing of Tax Returns:** The committees are interested in additional information on the processing of tax returns and request that the Office of the Comptroller submit a report on the processing of tax returns including different steps for processing a return; the average time it takes for each step in return processing; the average number of returns at each step in processing during both tax season and non-peak months; and the number of returns received, reviewed, and processed within 30, 60, and 90 days for fiscal 2015, 2016, and 2017.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Processing of Tax Returns</i>	<i>Comptroller</i>	<i>October 1, 2017</i>

**E50C**  
**State Department of Assessments and Taxation**

**Committee Narrative**

**E50C00.02 Real Property Valuation**

**Transparency in Assessments:** It is the intent of the committees that the agency be transparent when assessing real property in the State. The committees are concerned about misclassifications of the type of sale (arms length or non-arms length) for certain transactions, which can have an impact on the property tax assessment – and, therefore, the property tax owed – by homeowners in the State. Specifically, it has come to the attention of the committees that assessors employ Multiple Listing Services edits to alter the classification of sales as arms length or non-arms length and that these decisions impact whether or not a sale is included as a comparable sale or not.

Therefore, the committees request that the agency submit a report answering the following questions: (1) how do assessors currently verify that manual changes of status from arms length to non-arms length classification are justified; (2) what does the agency consider an acceptable error rate for these classifications; and (3) how do the error rates vary across property values and types? The report should also identify actions that can be taken in the future to minimize these classification errors and, more generally, how the assessment process can be made more transparent to property owners and the public. The agency is instructed to review the assessment practices of other states as part of its analysis.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Transparency in assessments	State Department of Assessments and Taxation	September 1, 2017

**E75D**  
**State Lottery and Gaming Control Agency**

**Budget Amendments**

**E75D00.01 Administration and Operations**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the increase in contractual salaries. The increase in funds is for a new chief marketing position. This position would be more appropriately filled within a regular full-time equivalent position rather than contractually. The State Lottery and Gaming Control Agency should reclassify an existing vacancy for this position.	135,613 SF	
Total Reductions	135,613	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	162.10	162.10		0.00
Special Fund	68,984,798	68,849,185	135,613	
<b>Total Funds</b>	<b>68,984,798</b>	<b>68,849,185</b>	<b>135,613</b>	

**F10A**  
**Office of the Secretary**  
**Department of Budget and Management**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**F10A01.01 Executive Direction**

Amend the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of executive direction may not be expended unless the Department of Budget and Management includes in its submission of the fiscal 2019 Governor’s budget books a separate volume that provides personnel and Managing for Results (MFR) data by agency. The personnel data shall be consistent with Section 7-121 of the State Finance and Procurement Article. The MFR data shall include the mission, vision, as well as key goals, objectives, and at least five performance indicators per objective. Funds restricted pending receipt of the volume of the Governor’s budget book may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the volume is not included with the Governor’s budget books submitted on the third Wednesday of January 2018.

**Explanation:** The Administration has previously provided personnel and MFR data in the annual budget books that are printed when the State budget is introduced. The fiscal 2017 and 2018 budget books did not include this data. Section 7-121 requires this personnel data and outlines how it should be formatted. This section reduces appropriations if the budget books are not consistent with State law or provides MFR data published in the budget books. This data is important to permit the budget committees to exercise oversight during the review of agency budgets each session.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Budget book volume with personnel and MFR data	Department of Budget and Management	With the submission of the Governor’s fiscal 2019 budget books

Amendment No.

**16**

## F10A

Strike the following language:

~~Further provided that \$100,000 of this appropriation made for the purpose of executive direction may not be expended until:~~

~~(1) — The Department of Juvenile Services and the Maryland State Department of Education (MSDE) jointly develop measures that evaluate the performance of the Juvenile Services Education (JSE) program, to include but not be limited to the following measures:~~

~~(a) — average length of time to transition student records between a JSE school and a local school system;~~

~~(b) — teacher vacancy rates and length of tenure;~~

~~(c) — contacts with local school system liaisons to support student transition into the community;~~

~~(d) — students participating in postsecondary opportunities and vocational opportunities; and~~

~~(e) — the number of classroom hours canceled due to the unavailability of a teacher or substitute.~~

~~(2) — Data for the identified performance measures shall be included in MSDE's annual MFR performance measure submission beginning with the fiscal 2019 allowance submitted in January 2018.~~

~~Funds restricted pending performance indicators may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the performance indicators are not included with the Governor's budget books.~~

**Explanation:** ~~Concerns have been raised questioning whether MSDE is providing the appropriate level of services to students in Department of Juvenile Services (DJS) facilities, particularly to students with special education needs. This language requires DJS and MSDE to work jointly regarding progress made toward addressing the deficiencies in the provision of education services to youth in DJS facilities. It also requires the development of performance measures to evaluate how well the program is functioning, as opposed to only evaluating student performance. This requirement was originally included in Section 43 of the fiscal 2017 budget bill. The section also required a report from DJS and MSDE. The report was submitted, and the funds contingent on the report have been released by the budget committees. The Department of Budget and Management (DBM) did not include performance measures in the Managing for Results (MFR) submission. This language applies this section to DBM and requires the submission of these MFR performance indicators.~~

## F10A

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
MFR indicators for JSE	DBM	With the submission of the Governor's fiscal 2019 budget books

Amendment No.

17

Strike the following language:

~~Further provided that \$100,000 for the purposes of executive direction may not be expended unless the Department of Budget and Management, in Appendix A in the Maryland Budget Highlights for fiscal 2019, reflects no more than \$30,000,000 in general fund reversions for fiscal 2018. For appropriations approved in this Act that are determined to be in excess of the needs of any agency or program above the aggregate estimate of \$30,000,000 in reversions, the fiscal 2019 budget bill should include negative fiscal 2018 deficiencies. Funds restricted may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the estimate for general fund reversions for fiscal 2018 listed in Appendix A of the Budget Highlights at the 2018 session exceed \$30,000,000.~~

**Explanation:** This requirement was originally included in Section 28 of the fiscal 2017 budget bill. It limits general fund revisions to \$30.0 million in unspecified agency reversions. In Appendix A of the Maryland Budget Highlights, \$125.8 million are included in addition to the \$30.0 million. The concern is that these reversions are planned and do not have the force of law. Instead listing these items as reversions, the Administration should instead include negative deficiencies. This provides a higher level of certainty that the Administration's proposed reductions are realized.

Amendment No.

18

## F10A

### Committee Narrative

**Report That Addresses the Structural Deficit:** The Administration’s long-term general fund forecast projects that the structural deficit increases steadily throughout the forecast period. By fiscal 2022, the structural deficit is expected to reach \$1.2 billion. The spending affordability process was put in place in 1982 with the goal of calibrating the growth in State spending to growth in the State’s economy. In implementing that objective, a unique method of classifying and accounting for State spending was developed and has been periodically revised as circumstance has required. In five of the last seven years, the recommendation of the committee focused on closing the sizeable structural deficit that had been generated by extraordinary fiscal issues – plummeting revenues, substantial short-term federal assistance, and extensive reliance on one-time budget balancing actions. The Spending Affordability Committee (SAC) has expressed concerns that, despite a favorable fiscal outlook at the close of the 2016 session, slower than anticipated economic growth has resulted in the downward revision of general fund revenues and a sizeable structural imbalance for fiscal 2018 and subsequent years. In its December 2016 report, SAC recommends that the Administration prepare a detailed report with specific proposals for achieving structural balance in fiscal 2019. The report should specify actions at the program level. The report should be submitted to SAC, the House Appropriations Committee, and the Senate Budget and Taxation Committee no later than July 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Structural deficit report	Department of Budget and Management	July 1, 2017

**F10A02**  
**Personnel**  
**Department of Budget and Management**

**Budget Amendments**

**OFFICE OF PERSONNEL SERVICES AND BENEFITS**

**F10A02.01 Executive Direction**

Add the following language to the general fund appropriation:

, provided that \$50,000 of this appropriation may not be expended until the Department of Budget and Management submits a report on fiscal 2017 closeout of the Employee and Retiree Health Insurance Account. This report shall include:

- (1) the closing fiscal 2017 fund balance;
- (2) the actual provider payments due in the fiscal year;
- (3) the State employee and retiree contributions;
- (4) an accounting of rebates, recoveries, and other costs; and
- (5) any closeout transactions processed after the fiscal year ended.

The report shall be submitted to the budget committees by October 1, 2017. The budget committees shall have 45 days to review and comment following the receipt of the report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** This annual budget bill language requires the Department of Budget and Management (DBM) to submit a report with fiscal 2017 closeout data for the Employee and Retiree Health Insurance Account.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on fiscal 2017 closeout data for the Employee and Retiree Health Insurance Account	DBM	October 1, 2017

## F10A02

Amend the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of the Executive Direction program may not be expended until the Department of Budget and Management shall submits submit a report to the budget committees on employee churn. The report shall include the total number of resignations of employees with five years or less of State service for each State agency for each fiscal year from fiscal 2007 to 2016. The report shall be submitted by July 1, 2017., and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** This language restricts \$100,000 in general funds to the Executive Direction program until a report is requires the Department of Budget and Management to submitted submit a report on employee churn. The report shall include data on employees who resigned with five years or less of State service for each State agency for each fiscal year from fiscal 2007 to 2016.

Information Request	Author	Due Date
Employee churn from fiscal 2007 to 2016	Department of Budget and Management	July 1, 2017

Amendment No.

19

### Committee Narrative

**Employee Terminations and Demotions:** The Department of Budget and Management (DBM) provides data to the Department of Legislative Services (DLS) regarding the various personnel transactions overseen by the agency in the course of its duties as the central administrator of statewide personnel, including the following: (1) terminated employees; (2) employees terminated due to failure to report for duty; and (3) demoted employees. The budget committees request that DBM identify the length of State service of the employees within these personnel transactions, and that this information be provided as aggregate data in five-year increment groupings by fiscal year for fiscal 2012 to 2017. Additionally, the budget committees request that DBM provide totals for these transactions grouped by State agencies by fiscal year for fiscal 2012 to 2017, only for agencies that have had five or more terminations and demotions in a year. DBM should submit a report with the requested information and provide the requested data in a machine-readable format to DLS by December 1, 2017. Additionally, it is the intent of the budget committees that this data be provided annually with the final fourth quarter personnel transaction data starting in fiscal 2018 and continuing thereafter.

## F10A02

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Employee termination and demotion years of service and State agencies data	DBM	December 1, 2017

**Workday Payroll System Implementation Update:** Since the rollout of the components of the new personnel system, Workday, there have been issues involving employee payroll, particularly at the State's 24/7 facilities. The Department of Budget and Management (DBM) is in the process of investigating and resolving these payroll issues; therefore, the budget committees request that the department submit a report that provides an update on the resolution of these issues for the State's 24/7 facilities by November 1, 2017. The report should include (1) an update on progress made toward implementing and expanding timeclock systems to address unique requirements of the 24/7 facilities; (2) monthly data on the number of complaints received, resolved, and the length of time to achieve resolution in fiscal 2017; and (3) any other actions taken by DBM to resolve payroll and overtime problems resulting from the transition to the Workday personnel system.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Update on resolution of Workday issues at 24/7 facilities	DBM	November 1, 2017

**Report on the Wellness Program:** The budget committees are interested in the progress of the wellness program administered by the Department of Budget and Management (DBM), including ways to encourage greater participation in the program. The budget committees request that DBM take the following the steps to determine whether additional improvements may increase participation: (1) review wellness programs nationally to evaluate successful measures to increase participation; (2) consider additional incentives for participation in the program, including programs geared toward increasing physical activity; and (3) determine new avenues to publicize the benefits of participation in the program. The budget committees request that DBM submit a report summarizing the findings and actions resulting from these steps by December 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Wellness program participation improvement measures	DBM	December 1, 2017

**F50**  
**Department of Information Technology**

**Budget Amendments**

**MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND**

**F50A01.01 Major Information Technology Development Project Fund**

Strike the following language:

~~Further provided that \$1,200,000 of this appropriation made for the purpose of video streaming Maryland General Assembly floor sessions is contingent on the enactment of SB 253 or HB 438, authorizing video streaming of Maryland General Assembly floor sessions.~~

~~**Explanation:** This makes the appropriation for video streaming equipment contingent on legislation authorizing video streaming.~~

Amendment No. 20

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for major information technology (IT) project oversight. The fiscal 2018 allowance includes \$1,783,170 for major IT project oversight. Each year, the major IT project fund ends the year with a large fund balance, because all the funds appropriated were not spent. For example, fiscal 2016 ended with a \$45.5 million fund balance, fiscal 2015 ended with a \$32.7 million fund balance, and fiscal 2014 ended with a \$31.3 million fund balance. Furthermore, oversight funds were reduced \$803,000 in fiscal 2017 cost containment, and \$966,388 in oversight costs were canceled and redirected toward new projects in fiscal 2018. The department is authorized to move funds between projects if necessary to fund project oversight costs incurred in fiscal 2018.	1,000,000	GF

**F50**

2. Reduce the appropriation to the Major Information Technology Development Fund. The Governor’s allowance includes \$1,440,000 for the Maryland Department of the Environment’s (MDE) Permit Tracking System Modernization major information technology project. MDE advises that no additional funds are required for this project. 1,440,000 GF

3. *Reduce the appropriation to the Major Information Technology Development Fund. This action reduces an allowance of \$1,200,000 to \$500,000. Prior to beginning any alterations to the chambers of the Senate and the House of Delegates, projects must be approved by the Maryland Historic Trust and the State House Trust. Given the time that this approval process will take, funding for the full year will not be needed.* 700,000 GF

Total Reductions 2,440,000  
3,140,000

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	28,302,775	<del>25,862,775</del> 25,162,775	<del>2,440,000</del> 3,140,000	
Special Fund	3,500,000	3,500,000	0	
<b>Total Funds</b>	<b>31,802,775</b>	<del><b>29,362,775</b></del> <b>28,662,775</b>	<del><b>2,440,000</b></del> <b>3,140,000</b>	

Amendment No.

**21**

**F50**

**OFFICE OF INFORMATION TECHNOLOGY**

**F50B04.01 State Chief of Information Technology**

Add the following language:

Authorization to expend reimbursable funds is reduced by \$135,000.

**Explanation:** Currently, 13% of positions are vacant. The department has consistently had high vacancy rates that exceeded 20% at times. Increasing the turnover rate to 6% reduces spending by \$450,000, which is \$306,000 in general funds, \$9,000 in special funds, and \$135,000 in reimbursable funds. This reduction shall be allocated across the department.

**F50B04.04 Infrastructure**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase turnover rate to 6%. Currently, 13% of positions are vacant. The department has consistently had high vacancy rates that exceeded 20% at times. Increasing the turnover rate to 6% reduces spending by \$450,000, which is \$306,000 in general funds, \$9,000 in special funds, and \$135,000 in reimbursable funds. This reduction may be allocated across the department.	306,000 GF 9,000 SF	
Total Reductions	315,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	134.00	134.00		0.00
General Fund	10,381,933	10,075,933	306,000	
Special Fund	1,894,000	1,885,000	9,000	
<b>Total Funds</b>	<b>12,275,933</b>	<b>11,960,933</b>	<b>315,000</b>	

## F50

### Committee Narrative

**Review of Information Technology Personnel Compensation:** The State should review information technology (IT) personnel policies to determine if changes can be made to bring IT personnel policies more in line with industry policies. This should include an examination of IT compensation to determine if any adjustments can be made to make State service more attractive. This should also include reviewing nonwage benefits, which include reevaluating State classifications, modifying benefits for IT professionals, allowing for more work-life balance and flexibility, offering more opportunities for training and professional growth, and offering a portfolio of more current technologies.

The State should also consider partnering with nearby higher education institutions to train more IT professionals. This could involve community colleges and nearby universities as well as training offered by federal institutions. The State could offer scholarship help or tuition reimbursement for students that agree to work for the State for a number of years.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Review of IT personnel compensation	Department of Information Technology Department of Budget and Management	December 1, 2017

**Status of the Agile Major Information Technology Project Development Approach:** Agile is a new approach, and the legislature will want to understand major information technology (IT) project spending and benefits. The Department of Information Technology (DoIT) should continue to provide clear information about the major IT projects that are being developed and funded in the Major Information Technology Development Project Fund. DoIT has prepared a draft Information Technology Project Request (ITPR). The report should include the format for the new Agile ITPR.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Status of the Agile major IT project development approach	DoIT	January 1, 2018

**G20J01**  
**State Retirement Agency**  
**Maryland State Retirement and Pension Systems**

**Budget Amendments**

**G20J01.01 State Retirement Agency**

Add the following language to the special fund appropriation:

, provided that \$750,000 for Phase 3 of the Maryland Pension Administration System may not be expended until it is designated as a Major Information Technology Development Project by the Department of Information Technology. Notification shall be submitted to the budget committees.

**Explanation:** Phase 3 of the Maryland Pension Administration System is anticipated to be a \$12 million to \$15 million project to automate agency business operations and provide online functionality to system members. Given the project’s scope and cost, the Department of Legislative Services believes that it should be subject to the support and oversight provided to Major Information Technology Development Projects.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete additional funding for Phase 3 of the Maryland Pension Administration System because a clear plan design has not yet been developed. Sufficient funding remains for a business process consultant and project management services.	550,000 SF	
Total Reductions	550,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	197.00	197.00		0.00
Special Fund	23,416,000	22,866,000	550,000	
<b>Total Funds</b>	<b>23,416,000</b>	<b>22,866,000</b>	<b>550,000</b>	

## G20J01

### Committee Narrative

**Report on Statutory Spending Cap:** The committees are concerned that State Retirement Agency (SRA) expenditures may exceed statutory limits because the agency's long-standing calculations of the spending cap may not be consistent with statutory requirements. The agency should report to the Joint Committee on Pensions on (1) its methodology for calculating its statutory spending cap; (2) the justification for including retiree benefits and inactive compensation in that calculation; and (3) recommendations for clarifying statutory language. A report shall be submitted by November 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on agency spending cap to the Joint Committee on Pensions	State Retirement Agency	November 1, 2017

**Study on Vesting:** Chapter 397 of 2011 enacted comprehensive pension reform that made changes to employee contributions, benefit multipliers, eligibility requirements, average final compensation, cost-of-living adjustments, and retiree health eligibility. Specifically, Chapter 397 increased the time period required for an employee hired on or after June 30, 2011, to vest in the employees' and teachers' pension systems and the other systems for public safety employees from 5 to 10 years.

During the 2017 session, several bills have been introduced, which purport to address recruitment and retention issues in State government. The budget committees request that the State Retirement Agency (SRA) study the impact of the 10-year vesting requirement enacted under Chapter 397. Additionally, SRA should analyze the costs and benefits of ~~returning to a 5-year vesting period~~ *reducing the current 10-year vesting period for employees hired on or after July 1, 2011*. On or before October 1, 2017, SRA shall report the results of the study to the Joint Committee on Pensions.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Study on vesting	State Retirement Agency	October 1, 2017

**J00**  
**Department of Transportation**

**Budget Amendments**

Add the following language:

Provided that it is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program, shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event that the department modifies the program to:

- (1) add a new project to the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year; or
- (2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that will result in an increase of more than 10% or \$1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

For each change, the report shall identify the project title, justification for adding the new project or modifying the scope of the existing project, current year funding levels, and the total project cost as approved by the General Assembly during the prior session compared with the proposed current year funding and total project cost estimate resulting from the project addition or change in scope.

Further provided that notification of project additions, as outlined in paragraph (1) above; changes in the scope of a project, as outlined in paragraph (2) above; or moving projects from the development and evaluation program to the construction program, shall be made to the General Assembly 45 days prior to the expenditure of funds or the submission of any contract for approval to the Board of Public Works.

**Explanation:** This annual budget bill language requires the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the fiscal 2017-2022 Consolidated Transportation Program (CTP) or will increase a total project’s cost by more than 10%, or \$1 million, due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP, with each using the 2017 session CTP as the basis for comparison. In addition, notification is required as needed throughout the budget year, if certain changes to projects are made.

## J00

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Capital budget changes from one CTP version to the next	Maryland Department of Transportation	With draft CTP With final CTP
Capital budget changes throughout the year	Maryland Department of Transportation	45 days prior to the expenditure of funds or seeking Board of Public Works approval

Add the following language:

The Maryland Department of Transportation (MDOT) may not expend funds on any job or position of employment approved in this budget in excess of 9,057.5 positions and 122.2 contractual full-time equivalent (FTE) positions paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2018. The level of contractual FTE positions may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

- (1) business growth at the Helen Delich Bentley Port of Baltimore or Baltimore/Washington International Thurgood Marshall Airport, which demands additional personnel; or
- (2) emergency needs that must be met, such as transit security or highway maintenance.

The Secretary shall use the authority under Sections 2-101 and 2-102 of the Transportation Article to implement this provision. However, any authorized job or position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 100 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2018 budget shall be subject to Section 7-236 of the State Finance and Procurement Article and the Rule of 100.

**Explanation:** This annual budget bill language establishes a position ceiling for MDOT each year to limit growth in regular positions and contractual FTEs.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Need for additional regular or contractual positions	MDOT	As needed

## J00

### Committee Narrative

**Transportation Trust Fund Forecast Assumptions:** The committees are concerned that the 3.4% average annual increase in departmental operating expenses that the Maryland Department of Transportation (MDOT) used in its fiscal 2017 through 2022 Transportation Trust Fund (TTF) forecast understates the amount of operating expenses likely to be incurred over the forecast period and, as a consequence, leads to an overestimate of the level of funding that will be available during the forecast period to support the capital program. The committees note that only three times since fiscal 2017 has the five-year average annual increase in departmental operating expenses dipped below 3.5% and those instances covered the years of the Great Recession. It is therefore the intent of the committees that the out-year estimates of departmental operating expenses that MDOT incorporates in TTF forecasts be inflated, at a minimum, by a rate equal to the five-year average annual increase in operating expenses experienced during the period ending with the most recently completed fiscal year.

**J00A01**  
**The Secretary's Office**  
**Department of Transportation**

**Budget Amendments**

**J00A01.02 Operating Grants-In-Aid**

Add the following language to the special fund appropriation:

, provided that no more than \$4,044,334 of this appropriation may be expended for operating grants-in-aid, except for:

- (1) any additional special funds necessary to match unanticipated federal fund attainments;  
or
- (2) any proposed increase either to provide funds for a new grantee or to expand funds for an existing grantee.

Further provided that no expenditures in excess of \$4,044,334 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

**Explanation:** This annual language caps the level of special funds provided for operating grants-in-aid. The cap may be increased to match unanticipated federal dollars or to provide new or expanded grant funding upon notification to the budget committees.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Explanation of need for additional special funds for operating grants-in-aid	Maryland Department of Transportation	45 days prior to expenditure

## J00A01

### J00A01.03 Facilities and Capital Equipment

Amend the following language on the special fund appropriation:

Special Fund Appropriation, provided that these funds intended as transportation grants shall be allocated as follows:

Baltimore City	5,484,423
	<u>3,656,282</u>
County Governments	27,422,115
	<u>12,796,987</u>
Municipal Governments	20,109,551

Further provided that ~~\$27,422,115~~ \$12,796,987 of this appropriation to county governments and \$20,109,551 to municipal governments shall be allocated to eligible counties and municipalities as provided in Sections 8-404 and 8-405 of the Transportation Article and may be expended only in accordance with Section 8-408 of the Transportation Article.

***Explanation:** This language provides transportation grants to local governments that, when added to the statute-based Highway User Revenues (HUR) distributed to local governments provides Baltimore City with total transportation aid equal to 7.9% of total HUR, counties with aid equivalent to 2.2% of total HUR, and municipalities with aid equivalent to 1.5% of total HUR.*

Amendment No.

22

Add the following language to the special fund appropriation:

Further provided that no funds may be expended by the Secretary's Office for any system preservation or minor project with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2017-2022 Consolidated Transportation Program except as outlined below:

- (1) the Secretary shall notify the budget committees of any proposed system preservation or minor project with a total project cost in excess of \$500,000, including the need and justification for the project and its total cost; and
- (2) the budget committees shall have 45 days to review and comment on the proposed system preservation or minor project.

**Explanation:** This language provides legislative oversight of grants exceeding \$500,000 that are not listed in the current Consolidated Transportation Program (CTP).

## J00A01

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Notification of the intent to fund a capital grant exceeding \$500,000 that is not listed in the current CTP	Maryland Department of Transportation	45 days prior to expenditure

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. <i>Reduce funds that are in excess of the amount needed to increase total transportation aid to Baltimore City to 7.9% of total Highway User Revenues (HUR), counties to 2.2% of total HUR, and municipalities to 1.5% of total HUR.</i>	16,453,269	SF
<i>Total Reductions</i>	16,453,269	

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
<i>Position</i>	15.00	15.00		0.00
<i>Special Fund</i>	83,366,089	66,912,820	16,453,269	
<i>Federal Fund</i>	13,871,000	13,871,000	0	
<b><i>Total Funds</i></b>	<b>97,237,089</b>	<b>80,783,820</b>	<b>16,453,269</b>	

Amendment No. 23

### J00A01.05 Washington Metropolitan Area Transit – Capital

Add the following language to the special fund appropriation:

, provided that \$155,922,000 of this appropriation made for the purpose of providing a grant to the Washington Metropolitan Area Transit Authority to support its capital program may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

**Explanation:** The appropriation for the grant to the Washington Metropolitan Area Transit Authority (WMATA) is approximately \$17 million more than the amount identified in the WMATA fiscal 2018 proposed budget as needed from Maryland in fiscal 2018. However, the WMATA capital program relies on the issuance of debt, repayment of which will add to the

## **J00A01**

amount Maryland must contribute in the future. The excess funds in this appropriation may be used as an additional grant to reduce the amount of future debt service. Any funds that are not used for the WMATA capital program in fiscal 2018 will cancel at the end of the fiscal year.

**J00A04**  
**Debt Service Requirements**  
**Department of Transportation**

**Budget Amendments**

Add the following language:

Consolidated Transportation Bonds may be issued in any amount provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues may not exceed \$3,021,675,000 as of June 30, 2018. Further provided that the amount paid for debt service shall be reduced by any proceeds generated from net bond sale premiums, provided that those revenues are recognized by the department and reflected in the Transportation Trust Fund forecast. Further provided that the appropriation for debt service shall be reduced by any proceeds generated from net bond sale premiums. To achieve this reduction, the Maryland Department of Transportation (MDOT) may either use the proceeds from the net premium to reduce the size of the bond issuance and/or apply the proceeds from the net premium to eligible debt service.

**Explanation:** Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding each year in the budget bill. The level is based on outstanding debt as of June 30, 2016, plus projected debt to be issued during fiscal 2017 and 2018 in support of the transportation capital program.

Add the following language:

MDOT shall submit with its annual September and January financial forecasts information on:

- (1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and
- (2) anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2017 through 2027.

Nontraditional debt is defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to, Certificates of Participation, debt backed by customer facility charges, passenger facility charges or other revenues, and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

**Explanation:** The General Assembly is interested in monitoring the use of nontraditional debt by MDOT. The information requested provides the budget committees with additional information on the usage and annual costs of nontraditional debt.

## J00A04

Information Request	Author	Due Date
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the September forecast
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the January forecast

Add the following language:

The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by MDOT, may not exceed \$880,930,000 as of June 30, 2018. Provided, however, that in addition to the limit established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of nontraditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of nontraditional debt that would be outstanding on June 30, 2018, and the total amount by which the fiscal 2018 debt service payment for all nontraditional debt would increase following the additional issuance; and
- (2) the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

**Explanation:** This language limits the amount of nontraditional debt outstanding at the end of fiscal 2018 to the total amount that is projected to be outstanding from all previous nontraditional debt issuances as of June 30, 2016. The language allows MDOT to increase the amount of nontraditional debt outstanding in fiscal 2018 by providing notification to the budget committees regarding the reason that the additional issuances are required.

**J00A04**

**Information Request**

**Author**

**Due Date**

Justification for increasing  
nontraditional debt  
outstanding

MDOT

45 days prior to publication of  
a preliminary official  
statement

**J00B01**  
**State Highway Administration**  
**Department of Transportation**

**Committee Narrative**

**J00B01.01 State System Construction and Equipment**

**Bicycle and Pedestrian Infrastructure:** Bicycle and pedestrian trails are an important part of Maryland’s transportation network. The annual cycle of competitive grants through which most funding is awarded allows little predictability for local governments wishing to develop this type of infrastructure. The State Highway Administration should explore methods by which multi-year awards could be made.

***Sale or Lease of Naming Rights for Rest Areas and Welcome Centers:** The State Highway Administration (SHA) in cooperation with the Department of Commerce (Commerce) is requested to study the feasibility of selling or leasing the naming rights for rest areas and welcome centers within State Highway rights-of-way for the purpose of raising funds to be used to promote tourism within the State. The study should identify the potential funds that could be raised, the additional costs that SHA would incur to implement such a plan, and any statutory or regulatory changes that would need to be made to implement such a plan. SHA and Commerce should report the findings of this study to the budget committees by December 1, 2017.*

<i><b>Information Request</b></i>	<i><b>Authors</b></i>	<i><b>Due Date</b></i>
<i>Study of potential for raising funds for tourism through the sale or lease of naming rights for rest areas and welcome centers</i>	<i>SHA Commerce</i>	<i>December 1, 2017</i>

**J00H01**  
**Maryland Transit Administration**  
**Department of Transportation**

**Committee Narrative**

**J00H01.01 Transit Administration**

**Transit Growth and Development Plans:** The Maryland Transit Administration (MTA) has developed a growth and development plan for the Maryland Area Regional Commuter train service that serves to inform its capital and operating planning. The committees are aware that MTA is in the process of developing similar plans for its other modes of service. MTA should provide a report to the committees by December 1, 2017, giving the status of these efforts and indicating how public input was or will be incorporated in developing these plans.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on efforts to develop growth and development plans	MTA	December 1, 2017

**J00H01.02 Bus Operations**

**Sparrows Point Transit Access:** Sparrows Point is poised to become a major employment center for the Baltimore region. In order to maximize the economic benefits of this development, it is essential that adequate bus service to Sparrows Point be established so that residents from population centers in the Baltimore region, including Baltimore City and Western Baltimore County, have access to the jobs that will be created. The Maryland Transit Administration should develop routes and schedules that facilitate and support job growth at Sparrows Point.

**BaltimoreLink Implementation Status Report:** Full implementation of the BaltimoreLink transit initiative is scheduled for June 2017. The Maryland Transit Administration (MTA) should provide a report to the budget committees by December 31, 2017, that evaluates the first six months of operations with respect to ridership, on-time performance, and customer satisfaction. The report should also provide a status report on the capital improvements related to BaltimoreLink that have been completed and that are yet to be completed.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on first six months of BaltimoreLink operations	MTA	December 31, 2017

**K00A**  
**Department of Natural Resources**

**Budget Amendments**

**MARYLAND PARK SERVICE**

**K00A04.01 Statewide Operations**

Amend the following language to the special fund appropriation:

, provided that ~~\$500,000~~ \$100,000 of this appropriation for the Department of Natural Resources (DNR) Maryland Park Service – Statewide Operations made for the purpose of general operating expenses may not be expended until DNR submits quarterly reports on July 1, 2017; October 1, 2017; January 1, 2018; and April 1, 2018. The reports should discuss the status of developing a resource management planning team, the role of the proposed business development manager, the goals being developed for a formal long-range plan, the five-year strategic plans being developed for individual State parks, and the actual development of a Comprehensive Long Range Strategic Plan as contemplated for achievement of the National Gold Medal Award from the National Recreation and Park Association. Funding restricted for this purpose may be released quarterly in ~~\$125,000~~ \$25,000 installments upon receipt of the required quarterly reports. The budget committees shall have 45 days to review and comment upon receipt of each report. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the reports are not submitted to the budget committees.

**Explanation:** This language restricts funding until the submission of quarterly reports on the status of development of a Comprehensive Long Range Strategic Plan as contemplated for achievement of the National Gold Medal Award from the National Recreation and Park Association. The 2016 Joint Chairmen’s Report included the request for a similar report, but the report did not fully capture the spirit of the request – identifying funding sources and a reasonable timeline to achieve full implementation of the plan in order to position Maryland’s parks to achieve a National Gold Medal Award from the National Recreation and Park Association.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Quarterly reports on the status of development of a Comprehensive Long Range Strategic Plan	DNR	July 1, 2017 October 1, 2017 January 1, 2018 April 1, 2018

Amendment No.

**24**

**K00A**

**NATURAL RESOURCES POLICE**

**K00A07.04 Field Operations**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Delete funding and positions for the aviation unit. The Natural Resources Police has a Memorandum of Understanding with the Maryland State Police for flying missions; therefore, the aviation unit is unnecessary. In addition, the aviation unit was abolished as part of cost containment and, therefore, is not a fiscally sound addition to the State's budget.</del>	555,842 GF	2.00
 Total Reductions	555,842 0	2.00 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	237.00	235.00 237.00		2.00 0.00
General Fund	26,106,560	25,550,718 26,106,560	555,842 0	
Special Fund	6,545,745	6,545,745	0	
Federal Fund	2,025,879	2,025,879	0	
<b>Total Funds</b>	<b>34,678,184</b>	<b>34,122,342</b> <b>34,678,184</b>	<b>555,842</b> <b>0</b>	

Amendment No.

**25**

**L00A**  
**Department of Agriculture**

**Budget Amendments**

**OFFICE OF MARKETING, ANIMAL INDUSTRIES, AND CONSUMER SERVICES**

**L00A12.13 Tobacco Transition Program**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Delete the \$1,000,000 in special funds for the Tobacco Transition Program that provides for agricultural easement purchases. The program's capital component is scheduled to end in fiscal 2018 in the 2017 Capital Improvement Program.</del>	<del>1,000,000</del>	<del>SF</del>

Total Reductions	1,000,000	0
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	1,000,000	0	1,000,000	0
		1,000,000	0	
<b>Total Funds</b>	<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>
		1,000,000	0	

Amendment No.

**26**

**L00A12.18 Rural Maryland Council**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the Rural Maryland Council additional funding. The Rural Maryland Council receives an additional \$2,000,000 in general funds in fiscal 2018. This action reduces the additional funding by <del>\$1,000,000</del> \$250,000 due to the fiscal condition of the State.	1,000,000	GF
	250,000	GF

Total Reductions	1,000,000	250,000
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**L00A**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	4,167,000	<del>3,167,000</del> 3,917,000	<del>1,000,000</del> 250,000	
<b>Total Funds</b>	<b>4,167,000</b>	<b><del>3,167,000</del></b> <b>3,917,000</b>	<b><del>1,000,000</del></b> <b>250,000</b>	

Amendment No.

**27**

**M00**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

Add the following language:

*Given the long standing and persistent nature of the heroin, opioid, and fentanyl overdose crisis, it is the intent of the General Assembly that the Governor assign an individual in the Executive Branch on a permanent basis who will be designated to administer the Governor's authority to operationally address the heroin, opioid, and fentanyl overdose crisis, until such a time that the crisis can be satisfactorily controlled and eliminated.*

***Explanation:*** On March 1, 2017, the Governor issued an executive order declaring a State of Emergency pertaining to the heroin, opioid, and fentanyl overdose crisis, which lasts only 30 days until March 31, 2017. Within that executive order, an individual was to be assigned to administer the Governor's authority to take specific actions to address the crisis. This language expresses the intent of the General Assembly that this individual be assigned and allowed to administer these duties on a more permanent basis given the long standing and persistent nature of the crisis.

Amendment No. **28**

**M00A01**  
**Administration**  
**Department of Health and Mental Hygiene**

**Committee Narrative**

**OFFICE OF THE SECRETARY**

**M00A01.01 Executive Direction**

**Loan Repayment Assistance and Scholarship Programs:** The budget committees request a report from the Department of Health and Mental Hygiene (DHMH), the Department of Human Resources (DHR), and the Maryland Higher Education Commission (MHEC) on the development and feasibility of providing loan repayment assistance and/or scholarship programs to individuals who fill high vacancy positions within DHMH or DHR. This report shall outline which high vacancy position classifications would be eligible for the program, what resources are currently available to assist in filling those vacancies, and make recommendations regarding ways to increase the use of these programs, or create new ones, specifically for State employees filling these positions.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Loan repayment assistance and scholarship programs for State employees at DHMH and DHR	DHMH DHR MHEC	November 1, 2017

***Employees at State Institutions:*** *The budget committees are concerned that employees in the Department of Health and Mental Hygiene (DHMH) that work with forensic patients are not classified or compensated appropriately. The Forensic Services Workgroup of 2016 recommended that these employees receive reclassifications in order to better recruit and retain these individuals. The budget committees request DHMH to submit a report on the implementation of these recommendations for employees at institutions administered by the Behavioral Health Administration and the Developmental Disabilities Administration.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Reclassification of employees at institutions with forensic patients</i>	DHMH	<i>October 1, 2017</i>

**M00B0103**  
**Office of Health Care Quality**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**REGULATORY SERVICES**

**M00B01.03 Office of Health Care Quality**

Add the following language:

Provided that \$100,000 of the general fund appropriation in program M00A01.01 Executive Direction made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene (DHMH) submits a three-year plan to the budget committees outlining how DHMH will fully staff the Office of Health Care Quality. The report should include (1) an analysis of appropriate compensation for recruitment and retention of nurse surveyors; and (2) an assessment of strategies other than salary that the federal government and other states use to retain nurse surveyors. This report shall be submitted by October 1, 2017, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and will revert to the General Fund if the report is not submitted.

**Explanation:** The budget committees are concerned about the safety of the State's health care facilities regulated by the Office of Health Care Quality with the chronic staffing shortage that plagues the agency. The agency has had large staffing deficits for over a decade that impinge its ability to meet statutory mandates. The committees request that DHMH provide the budget committees with a three-year plan to fully staff the agency to be compliant with its statutory staffing analysis study. The plan is to include an analysis of compensation levels for nurse surveyors, and an analysis of retention strategies other than salary (such as benefits or training opportunities) for nurse surveyors.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Three-year staffing plan for the Office of Health Care Quality	DHMH	October 1, 2017

**M00B0104**  
**Health Professionals Boards and Commissions**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**M00B01.04 Health Professionals Boards and Commissions**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Reduce funding for new licensing software for the Board of Dental Examiners and the Board of Pharmacy. Should additional funding be required either for the Board of Physicians project, or after the Department of Information Technology makes a recommendation that neither board should be included in the enterprise project solution, funds may be replaced through budget amendment to the appropriate program.	1,220,000	SF
 Total Reductions	 1,220,000	 0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
Position	126.10	126.10		0.00
General Fund	499,166	499,166	0	
Special Fund	19,738,350	18,518,350	1,220,000	
<b>Total Funds</b>	<b>20,237,516</b>	<b>19,017,516</b>	<b>1,220,000</b>	

**Committee Narrative**

~~**Board of Professional Counselors and Therapists Licensing Process:** The budget committees remain concerned about the time it takes for the Board of Professional Counselors and Therapists to license a new master's degree graduate. The committees request a report on how the board could improve the time it takes to complete a license for trained and qualified individuals applying for the positions of alcohol and drug counselors, mental health counselors, marriage and family therapists, and peer support specialists, including by possibly allowing applicants to submit applications prior to graduation.~~

<b><u>Information Request</u></b>	<b><u>Author</u></b>	<b><u>Due Date</u></b>
<del>Improving the time for licensing new graduates</del>	<del>Board of Professional Counselors and Therapists</del>	<del>October 1, 2017</del>

**M00F**  
**Public Health Administration**  
**Department of Health and Mental Hygiene**

**Committee Narrative**

**M00F02.01 Office of Population Health Improvement**

**Centralized Revenue Management System:** The budget committees request that the Department of Health and Mental Hygiene (DHMH) submit a report on the timeline and funding for the creation of a centralized revenue management system for the local health departments.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Centralized revenue management system report	DHMH	December 31, 2017

**M00F03**  
**Prevention and Health Promotion Administration**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**M00F03.04 Family Health and Chronic Disease Services**

Amend the following language on the general fund appropriation:

, provided that this appropriation shall be reduced by ~~\$15,000,000~~ \$2,000,000 contingent upon the enactment of legislation reducing the operating grant for the Prince George's County Regional Medical Center.

***Explanation:** This language makes a technical correction to conform to an action in the Budget Reconciliation and Financing Act of 2017.*

Amendment No.

**29**

**M00I**  
**Chronic Hospitals**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**WESTERN MARYLAND CENTER**

**M00I03.01 Services and Institutional Operations**

Add the following language to the general fund appropriation:

, provided that \$275,000 of the general fund appropriation in program M00I03.01 Services and Institutional Operations made for the purpose of expanding the brain trauma unit may not be expended until the Department of Health and Mental Hygiene works with hospital management to submit a plan to the budget committees outlining the best use of funds and how it will fund operations of any program. This report shall be submitted by July 1, 2017, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and will revert to the General Fund if the report is not submitted.

**Explanation:** The budget committees are concerned about the lack of agreement between hospital management and the Department of Health and Mental Hygiene (DHMH) on the best use of the funds and investing in upgrades for a deteriorating building. Additionally, there is no operational funding budgeted for any expanded or new program. The committees request that DHMH consult with hospital management and provide the budget committees with a plan for the use of funds and how it will fund operations of the program.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Plan for Western Maryland Hospital Center program improvements	DHMH	July 1, 2017

**Committee Narrative**

***Report on Public-private Partnership for Western Maryland Hospital Center:*** *The current condition of the Western Maryland Hospital Center poses health risks for both patients and staff. There is currently no plan or funding for a new building. The committees are interested in the potential for a public-private partnership for the Western Maryland Hospital Center that would allow a non-State entity to build and/or manage the hospital center. The plan should include a priority on continuing existing services focused on chronic care provided by State employees. The Secretary of Health and Mental Hygiene is requested to create a workgroup that includes representatives of any bargaining unit at the hospital center and other stakeholders and to submit a report on the potential to develop a public-private partnership.*

**M001**

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Report on public-private partnership with the Western Maryland Hospital Center</i>	<i>Department of Health and Mental Hygiene</i>	<i>October 1, 2017</i>

**M00L**  
**Behavioral Health Administration**  
**Department of Health and Mental Hygiene**

**Committee Narrative**

**M00L01.01 Program Direction**

**Combining the Various Behavioral Health Authorities:** Given the policy imperative to fully integrate behavioral health services in the State, the Department of Health and Mental Hygiene (DHMH) should provide a report on the feasibility, costs, and benefits of merging the core service agencies (CSA) with the local addictions authorities (LAA). This report should include information on the grants that each recipient entity receives, including how grants are divided up among administrative and treatment costs, and how the experience of those counties with merged behavioral health authorities differ from the counties where these authorities remain separate. Finally, the report should include recommendations on whether or not it would be beneficial to the oversight and efficiency of the public behavioral health system to combine CSAs and LAAs in each jurisdiction where it is not already so. This report should be submitted by November 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on combining CSAs with LAAs in various jurisdictions	DHMH	November 1, 2017

**Review of Behavioral Health Provider Accreditation Process:** Given the policy imperative to fully integrate behavioral health services in the State while also ensuring that provider capacity is not compromised during the transition, the Department of Health and Mental Hygiene (DHMH) should submit a report that provides a detailed review of the behavioral health accreditation process. This report should include information on the number and characteristics of the behavioral health provider community, the current status of those providers who are accredited versus those who are not accredited, and an analysis of all small and mid-size providers to determine their progress toward accreditation and any challenges therein.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Behavioral health accreditation process	DHMH	November 1, 2017

*Limiting the Availability of Tobacco Products to Minors: The committees are interested in the success of existing strategies and the development of new strategies to enforce current laws intended to limit the availability of tobacco products to minors. The committees request the Department of Health and Mental Hygiene (DHMH) and the Office of the Comptroller*

## M00L

(Comptroller), in consultation with local health departments and local law enforcement agencies:

- to evaluate existing enforcement strategies intended to limit a minor's access to tobacco products and recommend new strategies as appropriate;
- to evaluate any current training and assistance offered to tobacco retailers to enforce compliance with existing law intended to limit a minor's access to tobacco and recommend ways to improve that training and assistance if considered necessary;
- to report on the number of licensed tobacco retailers and minors who have committed violations of current laws related to access to and illegal possession of tobacco products in fiscal 2015 and 2016, including any prior violations and subsequent actions taken against each violator; and
- for each action taken, the report shall note the number of violations committed by the violator.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
<i>Limiting the availability of tobacco products to minors</i>	<i>DHMH Comptroller</i>	<i>November 1, 2017</i>

### Budget Amendments

#### M00L01.02 Community Services

Amend the following language on the general fund appropriation:

, provided that this appropriation shall be reduced by ~~\$3,750,000~~ \$2,000,000 contingent upon the enactment of legislation reducing the required special fund appropriation for the Maryland Community Health Resources Commission. Authorization is granted to process a special fund budget amendment of ~~\$3,750,000~~ \$2,000,000 to replace the aforementioned General Fund amount.

**Explanation:** *The language makes two technical amendments to conform with actions taken to the Budget Reconciliation and Financing Act of 2017.*

Amendment No.

**30**

**M00M**  
**Developmental Disabilities Administration**  
**Department of Health and Mental Hygiene**

**Committee Narrative**

**M00M01.01 Program Direction**

**Implementation of New Waivers:** The Department of Health and Mental Hygiene (DHMH) proposes to implement two waiver programs. The community services waiver will provide funding of \$25,000 a year per individual to support nonresidential services in the community. People on the waitlist in the crisis resolution and the crisis prevention priority categories would be eligible for this funding. The family support waiver would provide funding of up to \$12,000 per family per year for children under the age of 21 and their families to secure supplemental, wraparound services to those provided by the Maryland State Department of Education. Both waivers are pending the approval of the Centers for Medicare and Medicaid Services (CMS). The budget committees request that DHMH submit a report on the status of implementing the two new capped waivers including an update on CMS approval, how many individuals are expected to receive funding by the end of the fiscal year, and if DHMH expects to use all funds budgeted for the program in fiscal 2018.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Implementation of new waivers report	DHMH	December 31, 2017

**Report on Direct Support Wages:** The budget committees request that the Department of Health and Mental Hygiene (DHMH) submit a report on wages for direct support workers, including:

- the wage levels needed to ensure a quality direct support workforce in each jurisdiction, taking into account differences in local minimum wages;
- the funding needed to achieve the wage levels; and
- recommendations to ensure that direct support wages become and remain competitive on an ongoing basis.

In addition to any evaluation completed by the Developmental Disability Administration's (DDA) rate-setting consultant, DDA shall gather input from stakeholders, including the Maryland Association of Community Services, the People on the Go of Maryland, and the Arc Maryland.

## M00M

Information Request	Author	Due Date
Report on direct support wages	DHMH	July 1, 2017

### Budget Amendments

#### M00M01.02 Community Services

Strike the following language from the general fund appropriation:

~~, provided that this appropriation shall be reduced by \$8,444,522 contingent upon the enactment of legislation reducing the mandated provider rate increase from 3.5% to 2.0% for the Developmental Disabilities Administration.~~

**Explanation:** This action strikes contingent language reducing the provider rate increase from 3.5% to 2.0%.

Add the following language:

, provided that if the funding for the proposed capped family supports waiver or community supports waivers cannot be utilized in fiscal 2018, the Developmental Disabilities Administration shall use the funding to provide services for individuals on the waitlist.

**Explanation:** This language ensures that if the Centers for Medicare and Medicaid Services fails to approve the new capped waivers, the funds will be used to provide services for individuals on the waitlist and not reverted to the General Fund.

Amendment No.

31

Add the following language to the general fund appropriation:

Further provided that \$400,000 of this appropriation intended for the transition from Community Supported Living Arrangements to Personal Supports may not be expended for that purpose and instead may be used only to provide funding for the PACT Helping Children program. Funds not spent for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and if not expended for this purpose shall revert to the General Fund.

**M00M**

**Explanation:** This language restricts funding in order to restore funding for the PACT Helping Children program within community services.

Amendment No. **32**

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce funding for the transition from community supported living arrangements to personal support. The agency has advised that this funding is not needed for this purpose.</del>	1,785,000 GF	
	1,215,000 FF	
Total Reductions	3,000,000	
	0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	103.00	103.00		0.00
General Fund	604,746,036	<del>602,961,036</del> 604,746,036	1,785,000 0	
Special Fund	5,695,718	5,695,718	0	
Federal Fund	502,247,349	<del>501,032,349</del> 502,247,349	1,215,000 0	
<b>Total Funds</b>	<b>1,112,689,103</b>	<b><del>1,109,689,103</del></b> <b>1,112,689,103</b>	<b>3,000,000</b> <b>0</b>	

Amendment No. **33**

Strike the following language from the federal fund appropriation:

~~; provided that this appropriation shall be reduced by \$7,011,659 contingent upon the enactment of legislation reducing the mandated provider rate increase from 3.5% to 2.0% for the Developmental Disabilities Administration.~~

**Explanation:** This action strikes contingent language reducing the provider rate increase from 3.5% to 2.0%.

**M00Q01**  
**Medical Care Programs Administration**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**M00Q01.03 Medical Care Provider Reimbursements**

Add the following language:

All appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

**Explanation:** The language restricts Medicaid provider reimbursements to that purpose.

Amend the following language on the general fund appropriation:

Further provided that this appropriation shall be reduced by ~~\$25,000,000~~ \$20,000,000 ~~\$25,000,000~~ contingent upon the enactment of legislation suspending the reduction in the Medicaid Deficit Assessment for fiscal year 2018 only. Authorization is hereby provided to process a special fund budget amendment up to ~~\$25,000,000~~ \$20,000,000 ~~\$25,000,000~~ from Hospital Assessments to support Medicaid provider reimbursements.

**Explanation:** The language makes two technical amendments to conform with actions taken to the Budget Reconciliation and Financing Act of 2017.

Amendment No.

**34**

Add the following language to the general fund appropriation:

Further provided that \$375,000 of this appropriation made for the purpose of a managed care rate-setting study may not be used for that purpose and instead shall be expended only for provider reimbursements. Funding not used for this restricted purpose shall revert to the General Fund.

**Explanation:** The language restricts funding included in the fiscal 2018 budget for a managed care rate-setting study to be used only for provider reimbursements based on estimates of significant deficiencies in the budget for those reimbursements.

## M00Q01

Amend the following language to the general fund appropriation:

Further provided that \$850,000 \$750,000 of this appropriation made for provider reimbursements may not be made for that purpose and instead shall be expended only to implement an opioid risk reduction pilot program. The purpose of the program is to improve Medicaid patient safety and clinical outcomes for individuals being prescribed for long-term opioid therapy for chronic pain. In implementing the program, the State shall contract with a company for urine drug monitoring that uses clinically driven health services including complex claims review and medication management. As part of the same contract, the State shall require the successful vendor to contract with a Maryland nonprofit statewide physician organization for physician outreach and education services. It is the intent of the General Assembly that the Department of Health and Mental Hygiene apply for any waiver necessary to use federal matching funds as part of the pilot. However, if the department is unable to receive a waiver to implement the pilot program, the department should proceed using State funds only. Funding not used for this restricted purpose may not be transferred or otherwise expended and shall revert to the General Fund and/or be canceled.

**Explanation:** The language restricts funding for an opioid risk reduction pilot program and establishes criteria for the program. The language expresses intent that the Department of Health and Mental Hygiene seek a federal waiver to obtain federal matching funds for the program but that if no such waiver is forthcoming, it proceeds with State funds.

Amendment No.

35

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce general funds based on the availability of special funds from the Cigarette Restitution Fund</del>	5,794,096	GF
Total Reductions	5,794,096	0

**M00Q01**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	2,733,883,238	<del>2,728,089,142</del> 2,733,883,238	5,794,096 0	
Special Fund	937,957,977	937,957,977	0	
Federal Fund	5,796,260,110	5,796,260,110	0	
<b>Total Funds</b>	<b>9,468,101,325</b>	<b><del>9,462,307,229</del></b> <b>9,468,101,325</b>	<b>5,794,096</b> <b>0</b>	

Amendment No.

**36**

Strike the following language:

~~provided that authorization is hereby provided to process a special fund budget amendment up to \$5,794,096 from the Cigarette Restitution Fund to support Medicaid provider reimbursements.~~

~~**Explanation:** The language authorizes the transfer of \$5.8 million from the Cigarette Restitution Fund (CRF) to support Medicaid reimbursements. This transfer is dependent on reductions to other programs supported through the CRF in the fiscal 2018 budget (\$1.0 million for the tobacco transition program and \$4.8 million for nonpublic schools).~~

Amendment No.

**37**

**Committee Narrative**

**Connecting Individuals Transitioning from the Criminal Justice System to Health Care:** The Department of Health and Mental Hygiene (DHMH) has been making various efforts to ensure that individuals transitioning from the criminal justice system connect to health care coverage. Since most of these individuals are likely Medicaid-eligible under current law, making these connections can offset potentially expensive subsequent medical interventions. The department’s efforts include the extension of hospital presumptive eligibility to individuals transitioning from the criminal justice system and making enrollment changes. The committees are interested in monitoring the progress of DHMH and its partner, the Department of Public Safety and Correctional Services (DPSCS).

## M00Q01

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Connecting individuals transitioning from the criminal justice system to health care	DHMH DPSCS	November 15, 2017

**Efforts to Reduce Lead Poisoning and the Incidence of Asthma in Children Enrolled in Medicaid:** The fiscal 2017 budget restricted funding until the Medical Care Programs Administration (Medicaid) submitted a report on ways to reduce lead poisoning in children enrolled in Medicaid. The subsequent report contained a number of recommendations including applying for a State plan amendment allowed under the Children’s Health Insurance Program to cover lead abatement work as well as improvements to reduce the incidence of asthma. The committees are interested in the implementation of the report’s recommendations and what Medicaid and its partners are able to accomplish if the State plan amendment is granted.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Efforts to reduce lead poisoning and the incidence of asthma in children enrolled in Medicaid	Medicaid	November 15, 2017

**Examination of the Integration of Behavioral and Somatic Health Services:** A condition of its most recent HealthChoice waiver renewal approved by the Centers for Medicare and Medicaid Services (CMS) was the requirement that the Department of Health and Mental Hygiene (DHMH) examine its integration strategy with regard to behavioral and somatic health services and commit to an improved approach. DHMH has to commit to specifying an integration approach to CMS by January 1, 2018, and submit a concept design for integrated care by July 1, 2018, with a goal toward implementation by January 1, 2019. The committees request that DHMH submit a report summarizing the approach that it submits to CMS together with a preliminary timeline for the concept design submission.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Examination of the integration of behavioral and somatic health services	DHMH	January 1, 2018

**Hepatitis C Treatment:** The emergence of breakthrough drug treatments for individuals with Hepatitis C offer the promise of high rates of cure with limited side effects. However, the cost of these therapies is significant. As a result, Medicaid has established certain criteria for

## M00Q01

individuals to be eligible for the new therapies including diagnosis with chronic Hepatitis C; having liver fibrosis corresponding to a Metavir score of 2 or more; that the prescriber self-attests to having experience in treating patients with Hepatitis C; and if of childbearing age or having a partner of childbearing age, utilizing two forms of contraception. Coverage for new therapies has generated significant controversy and litigation in other states, in some cases resulting in more liberal coverage criteria.

The committees are interested in obtaining more information about the criteria used by Medicaid and request a report reviewing:

- the clinical literature to assess what is the appropriate Metavir score to begin coverage of the new therapies;
- an estimate of the number of individuals annually that would be covered if the Metavir score criteria was lowered to 1 and 0;
- the associated annual cost for covering drug therapies at a Metavir score of 1 and 0, net of drug rebates;
- the savings associated with starting treatment at an earlier Metavir score of 1 or 0; and
- the cost implications for the Department of Public Safety and Correctional Services (DPSCS) if it chooses to likewise lower the Metavir score to 1 and 0 for individuals in the State correctional system.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Hepatitis C treatment	Medicaid DPSCS	October 1, 2017

**Opiate Dependence Treatment Medications:** Effective July 1, 2016, Medicaid designated suboxone film as “nonpreferred” on the Maryland Medicaid Preferred Drug List while adding Zubsolv tablets to that same list. Both drugs are used as opiate dependence treatments. In order to continue to receive suboxone film, prior authorization was required. Medicaid’s decision was prompted by concerns raised by the Department of Public Safety and Correctional Services (DPSCS) about the smuggling of suboxone film into State correctional facilities. The committees are interested in following up on the impact of this decision and request that Medicaid and DPSCS submit a report detailing:

- addiction and mortality rates due to opiates in State prisons;

## M00Q01

- data on the actual smuggling of opioids and opiate dependence treatment medications into prisons, specifically comparing fiscal 2016 and 2017 (i.e., immediately before and after the change in the Maryland Medicaid Preferred Drug List);
- the number of prior authorization requests received to continue prescribing suboxone film in fiscal 2017 and the number of those requests approved;
- an analysis of the utilization of opiate dependence treatment medications prescribed in fiscal 2016 and 2017 in order to determine any change in practice; *and*
- the relative change in pharmacy costs (on a total and per capita basis) ~~net of rebates~~ for opiate dependence treatment medications by specific medication in fiscal 2016 and 2017; ~~and~~
- ~~any impact in costs to providers.~~

Information Request	Authors	Due Date
Opiate dependence treatment medications	Medicaid DPSCS	October 1, 2017

### M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

Add the following language:

All appropriations provided for program M00Q01.10 Medicaid Behavioral Health Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

**Explanation:** This language restricts Medicaid behavioral health provider reimbursements to that purpose.

### Committee Narrative

**Review of the Substance Use Disorder Treatment Rates:** The Governor’s Heroin and Opioid Emergency Task Force recommended that the Department of Health and Mental Hygiene (DHMH) review all of the Medicaid rates for substance use disorder services and then continue to review those rates every three years. The budget committees are concerned about the follow through on this recommendation and request a report from DHMH on the adequacy of the rates

## M00Q01

for substance use disorder treatment services within the Medicaid program. This report is due on November 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the adequacy of substance use disorder Medicaid treatment rates	DHMH	November 1, 2017

**M00R**  
**Health Regulatory Commissions**  
**Department of Health and Mental Hygiene**

**Budget Amendments**

**M00R01.03 Maryland Community Health Resources Commission**

Amend the following language on the special fund appropriation:

, provided that this appropriation shall be reduced by ~~\$3,750,000~~ \$2,000,000 contingent upon the enactment of legislation reducing the required appropriation for the Maryland Community Health Resources Commission.

***Explanation:** This language makes a technical amendment to conform with actions taken to the Budget Reconciliation and Financing Act of 2017.*

Amendment No.

**38**

**N00**  
**Department of Human Resources**

**Budget Amendments**

Add the following language:

Provided that the spending in fiscal 2018 of the Temporary Assistance for Needy Families federal funds shall not exceed \$249,874,106.

**Explanation:** The Department of Human Resources (DHR) has run a deficit of the Temporary Assistance for Needy Families (TANF) funds since fiscal 2011. At the close of fiscal 2016, the deficit was \$20.4 million. The fiscal 2017 working appropriation and fiscal 2018 allowance should assist DHR in reducing the deficit if TANF spending is not increased during the fiscal year beyond the levels currently budgeted. The level of TANF spending included in the fiscal 2018 allowance is near the maximum that could be spent based on anticipated TANF receipts in that year. To ensure that the department does not further increase the deficit by increasing TANF spending and to ensure that the department can begin to reduce the deficit, this language restricts TANF spending to the amount included in the fiscal 2018 allowance.

**N00A01**  
**Administration**  
**Department of Human Resources**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**N00A01.01 Office of the Secretary**

Add the following language to the general fund appropriation:

, provided that \$50,000 of the administrative appropriation may not be expended unless the Department of Human Resources includes Earned Income Tax Credit performance measures, goals, and objectives in the fiscal 2019 Managing for Results submission.

**Explanation:** Narrative in the 2015 Joint Chairmen’s Report requested the Department of Human Resources (DHR) to include goals, objectives, and performance measures related to the State Earned Income Tax Credit (EITC) in its fiscal 2017 Managing for Results (MFR) submission. The fiscal 2017 MFR submissions did not include measures related to the EITC. As with the fiscal 2017 submissions, the fiscal 2018 MFR submissions did not include EITC performance measures.

This language withholds a portion of DHR’s budget pending the submission of EITC performance measures in the fiscal 2019 MFR submission.

Add the following language to the general fund appropriation:

Further provided that since the Department of Human Resources (DHR) Office of the Secretary has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), and DHR failed to completely resolve, or make adequate progress toward resolving, those repeat audit findings, \$50,000 of this agency’s administrative appropriation may not be expended unless:

- (1) DHR has reported the corrective action taken with respect to all repeat findings on or before November 1, 2017; and
- (2) a report is submitted to the budget committees by OLA listing each repeat finding along with an assessment of the corrective action taken by DHR for each repeat finding. The budget committees shall have 45 days to review and comment to allow funds to be released prior to the end of fiscal 2018.

**Explanation:** The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld

## N00A01

pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

If OLA reports that an agency fails to completely resolve or make adequate progress toward resolving those repeat audit findings, the Joint Audit Committee requests that \$50,000 in general funds is withheld from each agency's appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

### **N00A01.04 Maryland Legal Services Program**

Add the following language to the general fund appropriation:

, provided that \$13,087,212 of this appropriation made for the purpose of the Maryland Legal Services Program may be expended only for that purpose. Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** The language restricts the general fund appropriation of the Maryland Legal Services Program (MLSP) to that purpose and if it is not needed for that purpose requires that the funds revert to the General Fund. During the fiscal 2013 closeout process, the Department of Human Resources recorded an unprovided-for payable in the MLSP. That was the second consecutive year an unprovided-for payable was recorded and the fourth since fiscal 2007. Given the important function of the MLSP, it remains necessary to ensure the program is adequately funded. Similar language has been adopted in the last three fiscal years.

**N00B**  
**Social Services Administration**  
**Department of Human Resources**

**Committee Narrative**

**N00B00.04 General Administration – State**

**Culturally Competent Training:** *The committees are interested in ensuring that local child welfare caseworkers receive training on culturally competent and affirming treatment of lesbian, gay, bisexual, transgender, and questioning (LGBTQ) foster youth. The committees request that the Department of Human Resources (DHR) submit a report providing information on the training that has been provided or is planned, including train-the-trainer activities, on LGBTQ issues. DHR should also include information on:*

- *whether the trainings offered are mandatory or voluntary;*
- *the number and percent of local child welfare staff by jurisdiction that have received the training; and*
- *the planned timeline for all staff to receive training.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Report on culturally competent training for local child welfare caseworkers</i>	<i>DHR</i>	<i>July 15, 2017</i>

**Success of Place Matters and Families Blossom:** *The Department of Human Resources (DHR) has focused on reducing the number of children in out-of-home care as part of the Place Matters Initiative and, more recently, as part of the Families Blossom Initiative. The committees are interested in the long-term impact of these changes. The committees request that DHR provide information on:*

- *the number of children that have left out-of-home placements from fiscal 2007 through 2017 (1) to reunify with the family of origin; (2) to enter a subsidized guardianship placement; (3) to enter a subsidized adoption placement; or (4) who aged out of care;*
- *the number and percent of children that left an out-of-home placement that returned to out-of-home care from fiscal 2007 through 2017 (1) after reunifying with the family of origin; (2) after entering a subsidized guardianship placement; or (3) after entering a subsidized adoption placement;*
- *the number of family preservation cases from fiscal 2007 through 2017;*

## **N00B**

- *a description of the data that the department collects regarding the success of a family reunification, subsidized guardianship, or subsidized adoption and the years for which that data is available;*
- *a description of the data that the department collects regarding the success of family preservation services and the years for which that data is available; and*
- *a review of the success to date of the Place Matters Initiative and Families Blossom Initiative.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Information on the success of the Place Matters and Families Blossom initiatives</i>	<i>DHR</i>	<i>October 1, 2017</i>

**N00F**  
**Office of Technology for Human Services**  
**Department of Human Resources**

**Committee Narrative**

**N00F00.02 Major Information Technology Development Projects**

**MD THINK Quarterly Progress Report:** The Department of Human Resources (DHR) is undertaking one of the largest Information Technology Projects in the history of the State, the Maryland Total Human services Information NetworK (MD THINK). DHR should work with the Department of Information Technology (DoIT) to submit quarterly progress reports for the project. The reports should include federal fund awards that were received for the project, the status of all applications completed or in progress of being completed, an updated timeline, an updated estimate of total project costs, performance benchmarks, descriptions of any defects and solutions to defects, and a list of all partner agencies with a description of their roles in the project.

For the period ending June 30, 2017, a report should be submitted by August 15, 2017. For the period ending September 30, 2017, a report should be submitted by November 15, 2017. For the period ending December 30, 2017, a report should be submitted by February 15, 2018. For the period ending March 30, 2018, a report should be submitted by May 15, 2018.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
MD THINK quarterly progress report	DHR DoIT	August 15, 2017 November 15, 2017 February 15, 2018 May 15, 2018

**N00G**  
**Local Department Operations**  
**Department of Human Resources**

**Budget Amendments**

**N00G00.01 Foster Care Maintenance Payments**

Add the following language to the general fund appropriation:

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

**Explanation:** This language restricts general funds appropriated for foster care payments to that use only. This restriction prevents a transfer of general funds to other programs that might create or increase a deficit in spending in the Foster Care Maintenance Payments Program (N00G00.01).

Amend the following language to the general fund appropriation:

Further provided that \$200,000 of this appropriation made for the purpose of a new Foster Youth Savings Program shall be restricted pending the submission of two reports to the budget committees. The first report shall be submitted by July 1, 2017, and provide a detailed implementation plan for the Foster Youth Savings Program, including (1) the match terms; (2) limitations on withdrawals of matched funds; (3) type of accounts offered; (4) how children will be enrolled in the program; and (5) the types of education and financial literacy courses required as part of the program. The second report shall be submitted by December 1, 2017, and provide information on the number of youth participating, amount of matched savings provided, ~~and~~ implementation challenges, and feasibility of opening a savings account for children receiving Social Security, Supplemental Security Income, and Veterans Administration benefits using the funds received from those benefits including describing the options for the types of accounts to be opened. The budget committees shall have 45 days to review and comment. Funding shall be released in \$100,000 increments for the submission of each report. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted.

**Explanation:** The fiscal 2018 allowance includes funding for a new Foster Youth Savings Program in the Department of Human Resources (DHR) Foster Care Maintenance Payments Program. The program is to serve transition-aged foster youth. The program is new and little is currently known about how the program will be implemented. The language restricts funds pending the receipt of two reports. The first report requests information on how the program will be operated. The second report provides information on the initial implementation of the program *and requests the department to provide information on the feasibility of establishing accounts for children receiving federal benefits using the funds received from the benefits.*

**N00G**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Detailed implementation plan	DHR	July 1, 2017
Report on participation and implementation challenges in the new Foster Youth Savings Program <i>and the feasibility of creating a program for children receiving federal benefits</i>	DHR	December 1, 2017

Amendment No.

**39**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for a new Foster Youth Savings Program to account for startup delays. The Department of Human Resources is still in the process of determining a number of aspects of the program including the match rate, withdrawal restrictions, and account type. Given the stage of development of the program, this reduction would account for the startup delays associated with a new program. If the department can demonstrate the need for additional funds in fiscal 2018, a deficiency appropriation could provide additional support. With this action approximately <del>\$1.28 million</del> <i>\$1.38 million</i> remains to begin implementation of the new program.	425,000 GF	325,000 GF
Total Reductions	425,000	325,000

**N00G**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	184,520,584	<del>184,095,584</del> 184,195,584	425,000 325,000	
Special Fund	4,335,811	4,335,811	0	
Federal Fund	73,841,478	73,841,478	0	
<b>Total Funds</b>	<b>262,697,873</b>	<del><b>262,272,873</b></del> <b>262,372,873</b>	<b>425,000</b> <b>325,000</b>	

Amendment No.

**40**

**N00G00.02 Local Family Investment Program**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds based on the availability of additional federal funds. The fiscal 2018 allowance includes \$27.3 million in federal funds available from the State Administrative Matching Grants for the Food Stamp Program in the Local Family Investment Program, a decrease of approximately \$9.3 million compared to the fiscal 2017 working appropriation and \$17.3 million compared to fiscal 2016. Given the declining caseloads, some reduction in federal funds receipt would be expected. However, the Department of Human Resources estimates that funds should still be received at near the level in the fiscal 2017 working appropriation. This action reduces general funds by an amount equivalent to the additional federal funds that should be available to the program. The reduction should be allocated among the programs and activities of the Local Family Investment Program. Even with this reduction, the Local Family Investment Program has sufficient funds to match the estimated federal fund spending in fiscal 2018.	9,300,000 GF	
Total Reductions	9,300,000	0.00

**N00G**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,776.18	1,776.18		0.00
General Fund	60,701,862	51,401,862	9,300,000	
Special Fund	2,426,545	2,426,545	0	
Federal Fund	99,820,448	99,820,448	0	
<b>Total Funds</b>	<b>162,948,855</b>	<b>153,648,855</b>	<b>9,300,000</b>	

**Committee Narrative**

**Food Supplement Employment and Training Performance Measures:** With the end of the waiver of the time limit for the able-bodied adults without dependents (ABAWD), the performance of the Food Supplement Employment and Training (FSET) program has increased in importance. In fiscal 2018, \$1.2 million is available for jurisdictions including those in which the ABAWD time limit is in effect and an additional \$201,125 is available for two community-based organizations to operate an FSET program. The committees are interested in understanding more about the effectiveness of these programs, particularly for ABAWD participants. The committees request that the Department of Human Resources (DHR) provide information on:

- a description of the programs offered;
- performance in each of the national performance measures for the FSET program for federal fiscal 2017, including both the total population and ABAWD population;
- performance in the State option measures identified in the State plan for program components serving 100 or more individuals for federal fiscal 2017, including both the total population and ABAWD population;
- the number of individuals determined ineligible for benefits due to the ABAWD time limit; and
- the number of individuals that regained eligibility after complying with or showing an exemption from the ABAWD time limit.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report of FSET performance measures	DHR	November 1, 2017

## N00G

### Budget Amendments

#### N00G00.03 Child Welfare Services

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.

**Explanation:** This annual language restricts general funds appropriated for local child welfare services to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for the purpose of the Local Child Welfare Services Program may not be expended until the Department of Human Resources submits a report to the Senate Budget and Taxation Committee, the Senate Judicial Proceedings Committee, the House Appropriations Committee, and the House Judiciary Committee on the plans of each local department of social services (LDSS) for partnering to provide and promote affordable housing and employment opportunities for former foster youth. The submission shall include the plans for each LDSS. Each LDSS plan shall:

- (1) describe any existing efforts to address the housing and employment needs of former foster youth (after their Child in Need of Assistance or Guardianship case has closed), including how the Family Unification Program vouchers are used to support youth aging out of foster care;
- (2) propose new strategies, including ways to partner with private and public sector employers and workforce development entities including the local workforce investment boards, to provide job opportunities for former foster youth;
- (3) provide and take into account projections of the number of youth expected to exit foster care at age 21 each year for the next four years; and
- (4) propose potential partnerships with the Department of Housing and Community Development, local public housing authorities, and community-based organizations to support the placement of former foster youth (once the child leaves the child welfare system) into safe, stable, and affordable housing.

The report shall be submitted by June 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by

## N00G

budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

**Explanation:** Chapter 685 of 2015 requires the juvenile courts to review, as part of a permanency planning or review hearing for a child who is at least age 18, to make a finding as to whether LDSS has made reasonable efforts to enroll the child in health insurance that will continue after the child is emancipated; screen the child for eligibility for public assistance and assist the child with applications for public benefits before the child is emancipated; work with appropriate individuals to establish a plan for stable housing that is expected to remain available for at least 12 months after emancipation; and work with appropriate individuals to engage the child in education, training, and employment activities. Chapter 685 required the Department of Human Resources (DHR) to submit a report on the LDSS plans related to housing and employment activities; however, the report did not address programs available after emancipation. This language restricts funding until DHR submits a report on plans of LDSS related to housing and employment for transitioning youth and emancipated youth.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on housing and employment needs of transitioning and emancipated foster youth	DHR	June 1, 2018

Reduce appropriation for the purposes indicated:

	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Reduce funds for step increases provided as part of the Montgomery County block grant. The reduction should be allocated among the programs in which the block grant is budgeted. The Department of Human Resources indicates that although it annually budgets for step increases as part of its calculation of the Montgomery County block grant, these funds are not provided if State employees do not receive a step increase. The fiscal 2018 budget does not include funds for State employee step increases. As a result, the funds budgeted for this purpose will not be required.	194,005 GF 207,974 FF	
2. Delete funds for grants received by various local departments of social services (LDSS) from the Governor's Office of Crime Control and Prevention (GOCCP). These grant funds are applied for, and received directly, by LDSS from GOCCP, but are budgeted as special funds in the Department of Human	206,024 SF	

## N00G

Resources (DHR). However, to avoid double counting the spending of the grant dollars in the State budget, these special funds should be deleted. DHR should process a reimbursable fund budget amendment to authorize the spending of these funds.

Total Reductions 608,003 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	2,138.00	2,138.00		0.00
General Fund	174,909,261	174,715,256	194,005	
Special Fund	1,535,099	1,329,075	206,024	
Federal Fund	59,913,060	59,705,086	207,974	
<b>Total Funds</b>	<b>236,357,420</b>	<b>235,749,417</b>	<b>608,003</b>	

### Committee Narrative

**Child Welfare Caseload Data:** The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State's care. Therefore, in order to maintain oversight of this important issue, the committees request that the Department of Human Resources (DHR), on November 15, 2017, report to the committees on the annual average number of cases and filled positions assigned, by jurisdiction, for the following caseload types using 12 months of data through August 2017:

- intake screening;
- child protective investigation;
- consolidated home services;
- interagency family preservation services;
- services to families with children – intake;
- foster care;
- kinship care;

## N00G

- family foster homes – recruitment/new applications;
- family foster home – ongoing and licensing;
- adoption;
- interstate compact for the placement of children; and
- caseworker supervisors.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types	DHR	November 15, 2017

**Review of Services Available to Parents with Disabilities:** The Department of Human Resources (DHR) does not remove children from their home solely due to a parent’s disability. Caseworkers work with parents to assess the services needed for a child to remain in the home or to be reunified with their parents if the child has been placed in out-of-home care. DHR has funding for some types of services, such as in-home aide services. The Title IV-E Waiver presents an opportunity to support additional family preservation and post-reunification services including services specific to parents with disabilities. However, the committee is concerned about whether adequate resources exist in communities to address the needs of parents with disabilities, including both physical and developmental disabilities, such as alternate styles of parenting courses that address different learning styles or needs. Therefore, the committees request DHR, in consultation with the Maryland Department of Disabilities (MDOD), submit a report (1) identifying services available in the community to address family preservation or post-reunification needs for parents with disabilities; (2) identifying gaps in services and options for addressing the gaps; and (3) reviewing best practices in providing family preservation and post-reunification services to parents with disabilities.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on services available to parents with disabilities	DHR MDOD	November 15, 2017

## N00G

### Budget Amendments

#### N00G00.08 Assistance Payments

Add the following language to the general fund appropriation:

, provided that \$4,000,000 of this appropriation made for the purpose of the Temporary Disability Assistance Program (TDAP) may be used only to increase the TDAP benefit by \$20 per month per recipient. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** This language restricts funds in the TDAP to be used to increase the benefit by \$20 per month per recipient. The current benefit is \$185 and has been at that level for more than 10 years. If the funds are not used to increase the monthly benefit, the funds will revert to the General Fund.

Amendment No.

41

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds in the Assistance Payments Program due to favorable caseload trends in the Temporary Cash Assistance Program and Temporary Disability Assistance Program. This reduction leaves sufficient surplus funds to cover the anticipated shortfall in the Food Supplement Program Supplemental Benefit program.	6,000,000	GF
	2,000,000	GF
Total Reductions	6,000,000	
	2,000,000	

**N00G**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	67,312,926	61,312,926 65,312,926	6,000,000 2,000,000	
Special Fund	12,494,062	12,494,062	0	
Federal Fund	1,196,363,204	1,196,363,204	0	
<b>Total Funds</b>	<b>1,276,170,192</b>	<b>1,270,170,192</b> <b>1,274,170,192</b>	<b>6,000,000</b> <b>2,000,000</b>	

Amendment No.

**42**

**Committee Narrative**

**Feasibility of Creating a Benefit for the Purchase of Diapers:** The committees are concerned about the cost of purchasing diapers for low-income households. The committees are interested in the feasibility of creating a State supplemental benefit for the purchase of diapers. The committees request that the Department of Human Resources (DHR), in conjunction with the Department of Health and Mental Hygiene (DHMH) and the Maryland State Department of Education (MSDE), submit a report discussing the feasibility of creating this type of benefit. The report should discuss options for implementing the benefit including:

- the appropriate benefit size;
- the appropriate agency to administer the benefit;
- the appropriate method of administering the benefit, such as through either the Supplemental Nutrition Assistance Program or the soon to be implemented Women, Infants, and Children electronic benefit transfer cards;
- the appropriate eligibility criteria, including if the benefit should be provided to a subset of recipients of a current public benefit; and
- a review of options proposed in other states or federally in order to create similar benefits.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Feasibility and options for creating a benefit for the purchase of diapers	DHR DHMH MSDE	December 1, 2017

## N00G

~~**Temporary Disability Assistance Payments Program:** The committees are concerned that a monthly benefit of \$185 for the Temporary Disability Assistance Program is insufficient to meet the needs of program recipients. The benefit has not been increased in at least 10 years. It is the intent of the budget committees that the Department of Human Resources evaluate the adequacy of the current benefit and consider increasing the monthly benefit in fiscal 2019.~~

**N00H00**  
**Child Support Enforcement Administration**  
**Department of Human Resources**

**Committee Narrative**

**N00H00.08 Support Enforcement – State**

**Baltimore Child Support Office Enhancements Report:** The Department of Human Resources (DHR) is implementing enhancements to the Baltimore City Office of Child Support Enforcement (office) in its current Request for Proposal, as identified in a recent cost-benefit analysis. DHR should provide a report that details all modifications and enhancements to the office. The report should include any additional performance goals and incentives that are required of the contractor and any additional budgetary impacts that result from the modifications and enhancements.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on enhancements to Baltimore City Office of Child Support Enforcement	DHR	December 1, 2017

**N00I00**  
**Family Investment Administration**  
**Department of Human Resources**

**Committee Narrative**

**N00I00.04 Director's Office**

**Changes to the Temporary Assistance for Needy Families Program:** The most recent re-authorization for the Temporary Assistance for Needy Families (TANF) program ended in federal fiscal 2010. Since that time, TANF has operated under a series of extensions. The current extension ends April 28, 2017. In recent sessions of Congress, bills have been introduced or discussed to re-authorize or make changes to the program. These bills would have modified work participation requirements and made changes to rules related to TANF and Maintenance of Effort (MOE) spending. The committees are concerned about the potential impact of any changes to TANF or contained as part of any re-authorization of TANF. The committees request that the Department of Human Resources (DHR) provide notification of any federal changes to TANF that the State must adopt as a condition of accepting TANF or that the State chooses to adopt that would impact TANF-related benefits (eligibility, benefit levels, or types of benefits provided), work participation requirements, work participation calculations, State spending including spending of TANF or MOE, or changes to the type of spending that counts toward MOE.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Notification of changes to TANF	DHR	Within 30 days of federal changes

**N00I0006**  
**Office of Home Energy Programs**  
**Department of Human Resources**

**Committee Narrative**

**N00I00.06 Office of Home Energy Programs**

**Energy Assistance Application Processing Times:** The committees are interested in continuing to monitor the progress of local administering agencies (LAA) of the Office of Home Energy Programs in improving energy assistance application processing timeliness. Although progress is evident, some LAAs have experienced worsening performance. The committees request that the Department of Human Resources (DHR) provide by LAA (1) the number of applications received; (2) the average number of days to process applications; (3) the number and percent of applications processed within 30 days, 55 days, and longer than 60 days; and (4) the date of the data.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Application processing times	DHR	December 20, 2017
Application processing times	DHR	June 30, 2018

**Implementation of the Supplemental Targeted Energy Program:** In fiscal 2018, the Department of Human Resources (DHR) Office of Home Energy Programs plans to introduce a new Supplemental Targeted Energy Program (STEP). Under the STEP, participating households will receive an additional benefit if the recipients undertake certain activities related to energy education, self-sufficiency, and service coordination. The committees are interested in understanding the impact of this change. The committees, therefore, request that DHR submit two reports on program implementation. The first report should include information on the process for identifying administering agencies for the new benefits and how those administering agencies coordinate with the existing local administering agencies for the regular energy assistance programs (if it is not the same entity) and any challenges experienced during program implementation. The second report should provide information on (1) the number of individuals who participate in the program; (2) the number of those participating who earn each type of incentive; and (3) the dollar value of incentives earned (both cumulative and on average).

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on administration and implementation challenges of the STEP	DHR	December 15, 2017
Report on STEP participation	DHR	June 30, 2018

**P00**  
**Department of Labor, Licensing, and Regulation**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**P00A01.01 Executive Direction**

Strike the following language:

~~provided that \$250,000 of this appropriation made for the purpose of the Employment Advancement Right Now program may not be expended until the Department of Labor, Licensing, and Regulation submits a report to the budget committees and the House Economic Matters Committee on the demographics and performance of each partnership. The report shall include how many students are enrolled with each partnership, their demographic information, county of residence, educational attainment, and if the participant has received employment or wage promotion in the partnership industry. The report shall be submitted by September 1, 2017, and the committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the committees.~~

~~**Explanation:** This report should provide the information necessary to adequately assess the performance of the program Employment Advancement Right Now (EARN) using quantitative data. This data includes the demographics of enrolled students including their county of residence and educational attainment and should outline the progression of enrolled participants by program. The report should provide a clear synopsis of participant success by partnership using transparent data to outline success or challenges of the partnership.~~

<del>Information Request</del>	<del>Author</del>	<del>Due Date</del>
<del>Report on the performance of the EARN partnerships</del>	<del>Department of Labor, Licensing, and Regulation</del>	<del>September 1, 2017</del>

Amendment No. **43**

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of Executive Direction may not be expended until the Department of Labor, Licensing, and Regulation submits two reports to the budget committees on the work of the Employment Standards and Safety Inspection. The Employment Standards shall provide a report including (1) a current organizational chart outlining the current staff, vacant positions, the hierarchy of

## P00

the department, and the Spanish-speaking employees; (2) the number of complaints received by the unit broken down by complaint type including, minimum wage, overtime violations, and wage misclassification, the county they were filed in, and the language the complaint was filed in; (3) the time it takes to process a complaint from intake to complaint closure; (4) the number of complaints that result in investigations and enforcement actions against the company; (5) the number and percent of written complaints that, after filing, are resolved without investigation and any explanation for each decision not to investigate; (6) the criteria for initiating an investigation; (7) an explanation of requirement for complainants to provide a written letter to their employer for unpaid wages; and (8) the outreach activities of the unit including the number and location of outreach events for fiscal 2012 to 2017.

The Maryland Occupational Safety and Health Administration shall provide a report including (1) a current organizational chart outlining the current staff, vacant positions, the hierarchy of the department, and the Spanish-speaking employees; (2) the actions that have been or will be taken to attract new employees and improve retention; (3) the metric used to determine the optimum number of health and safety inspectors; (4) the total number of full-time equivalents dedicated to the Voluntary Protection Program and the number of Voluntary Protection Program site visits conducted; (5) a detailed explanation for the decrease in the number of inspections opened and investigated; (6) a detailed explanation for failing to meet the annual enforcement goals described in the Federal Annual Monitoring and Evaluation Reports and what actions the agency is taking or plans to take to improve performance in order to meet these goals; (7) a detailed explanation for the decline in annual inspections and what actions have been or will be taken to address known or foreseeable challenges to performing inspection and enforcement responsibilities; (8) the procedures used to gather, review, and utilize enforcement data, including geographic location and demographic data, to plan enforcement activities for scheduling and prioritizing programmed inspections, including written documentation of the site-specific targeting program; and (9) the procedures for reviewing and adopting federal Occupational Safety and Health Act directives and standards notices and a list of all directives and standards notices received, noting the date received, the action taken, and, if rejected, a reason for the rejection for fiscal 2012 to 2017.

These reports shall be submitted by October 1, 2017, and annually thereafter; and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of these reports may be released in the amount of \$250,000 for each report received but may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted.

**Explanation:** The language restricts \$500,000 pending the receipt of two separate reports on the staffing, processes, and enforcement measures taken in the Employment Standards Service and Maryland Occupational Safety and Health (MOSH) departments in the Department of Labor, Licensing, and Regulation (DLLR).

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<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on employment standards and a report on MOSH	DLLR	October 1, 2017

**Committee Narrative**

**Low-literacy Students in Maryland:** The Department of Labor, Licensing, and Regulation (DLLR) should submit a report to the committees on the role that adult literacy plays in workforce development, and the strategies DLLR will use to address the specific needs of unemployed or underemployed low-literacy students.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on strategies to address unemployment for low-literacy students	DLLR	October 1, 2017

**Q00A**  
**Office of the Secretary**  
**Department of Public Safety and Correctional Services**

**Committee Narrative**

**Next Generation 9-1-1:** The Emergency Number Systems Board (ENSB) Technology Committee has developed a series of requirements for Next Generation 9-1-1 (NG 9-1-1), specifically for an emergency services Internet-protocol network and call routing. ENSB reviewed those requirements and decided that it was in the State's best interest to contract with a consultant to assist with the Request for Proposal (RFP) process. The RFP will locate an organization to conduct the NG 9-1-1 rollout. Once this process is complete, the contractor and the Department of Public Safety and Correctional Services (DPSCS) will determine what services are needed and the associated costs. The department should provide an update to the budget committees on the status of the contractor, the progress made, as well as associated costs, a timeline, and funding sources and options by June 30, 2018.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
NG 9-1-1	DPSCS	June 30, 2018

**Medicaid Enrollment:** The Affordable Care Act's Medicaid expansion enables states to enroll former inmates into the program. To assist with the enrollment efforts, the department submitted a Request for Proposals and will retain a contractor due to start on July 1, 2017. The department should submit a progress report to the budget committees on how the Medicaid enrollment efforts have improved, the number of former inmates enrolled, and any other pertinent cost data and performance measures. The report is due to the budget committees by November 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Medicaid enrollment	Department of Public Safety and Correctional Services	November 1, 2017

**Facial Recognition:** The Maryland Image Repository System is facial recognition software that allows law enforcement officers to compare images of unidentified individuals to images from State motor vehicle records and mugshots. The software has drawn criticism over privacy concerns. The Department of Public Safety and Correctional Services (DPSCS) should report on the following items by December 1, 2017:

- the audit and review process for the software, its use, and user involvement;
- the facial recognition system and process;

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- the cost of maintaining the system;
- the number of authorized user logins per year since fiscal 2015;
- the number of users authorized to access the system;
- how user access is determined;
- all DPSCS written policies, procedures, and regulations related to the Maryland Image Repository System;
- the steps taken to create an oversight process and standards for the system that, to the extent possible, includes the new Maryland Police Training and Standards Commission; and
- the steps taken to protect citizen privacy.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Facial recognition	DPSCS	December 1, 2017

**Q00B**  
**Division of Correction**  
**Department of Public Safety and Correctional Services**

**Committee Narrative**

**Q00A03.01 Maryland Correctional Enterprises**

**Maryland Correctional Enterprises Revolving Loan Fund:** Concern has been raised regarding the inability to ascertain an accurate fund balance for the Maryland Correctional Enterprises (MCE) Revolving Loan Fund. ~~In conjunction with the Fiscal 2017 Closeout Audit, the~~ ~~The~~ budget committees direct ~~the Office of Legislative Audits (OLA) to conduct a financial audit of MCE to submit the fiscal 2017 audited financial statements for the fund in order to~~ ascertain the appropriate end-of-year balance for fiscal 2017.

Additionally, the committees request that the financial statements included for MCE in the annual submission of the Governor’s budget books should include an estimated end-of-year fund balance for the current fiscal year and a projected balance for the budget year being considered.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
MCE Revolving Loan Fund audited <i>financial statements</i>	<del>OLA</del> MCE	<del>January</del> December 1, 2018
MCE Revolving Loan Fund end-of-year balances	MCE	With the annual budget book submission

**Budget Amendments**

**DIVISION OF CORRECTION – HEADQUARTERS**

**Q00B01.01 General Administration**

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services (DPSCS), in consultation with the Department of Budget and Management, submits a report to the budget committees providing the following information:

- (1) fiscal 2015, 2016, and 2017 data on the number of employees, delineated by category (correctional officer, parole and probation agent, or administrative), leaving DPSCS employment within 6, 12, and 24 months of hire;

## Q00B

- (2) fiscal 2015, 2016, and 2017 data on the number of employees, delineated by category (correctional officer, parole and probation agent, or administrative), leaving DPSCS employment by reason for the separation;
- (3) the amount of nonvoluntary overtime hours worked by DPSCS employees between May 2017 and October 2017;
- (4) the distribution of overtime hours worked and amount earned among DPSCS correctional employees in fiscal 2015, 2016, and 2017; and
- (5) a detailed plan for reducing the number of vacancies throughout the department, particularly among correctional officer and administrative staff. The plan should include an evaluation and fiscal estimate of solutions addressing compensation, improvements in employee wellness, the potential for utilizing part-time or retired staff, potential operating efficiencies designed to lessen staffing needs, using civilian positions in lieu of uniformed personnel, and relaxation of hiring standards.

The report shall be submitted by ~~November 1, 2017~~ *January 1, 2018*, and the budget committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** DPSCS is facing a staffing crisis. As of January 1, 2017, the departmentwide vacancy rate was 15.3%. The majority of the vacancies occur within the correctional and administrative staff, which have January 2017 vacancy rates of 13.9% and 20.3%, respectively. DPSCS is implementing a variety of strategies to improve recruitment; however, further analysis of the staffing issue and potential solutions is warranted. This language restricts funds until DPSCS provides a variety of staffing data that is currently not available but would prove useful in conducting a comprehensive evaluation of the department's ongoing staffing struggles. Additionally, the language requires DPSCS to develop a detailed plan for addressing the nearly 1,300 vacant positions that remain following the elimination of 400 vacancies in the fiscal 2018 budget. The report must be submitted to the budget committees no later than ~~November 1, 2017~~ *January 1, 2018*.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
DPSCS staffing data and vacancy reduction plan	DPSCS	<del>November 1, 2017</del> <i>January 1, 2018</i>

Amendment No.

44

## Q00B

### Committee Narrative

**Improvements in Hiring:** *The budget committees are concerned with the severe staffing shortages in the State's correctional facilities. In testimony provided to the budget committees on the Fiscal 2018 Operating Budget, the Department of Public Safety and Correctional Services (DPSCS) noted several strategies being pursued to increase the pool of applicants for correctional staff positions. The committees request that DPSCS provide an update on how those strategies have impacted hiring and whether the current staffing situation has improved. The report should be submitted to the budget committees no later than October 31, 2017.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Improvements in hiring</i>	<i>DPSCS</i>	<i>October 31, 2017</i>

**Polygraph Testing Requirement for Correctional Staff:** *The budget committees are concerned with the severe staffing shortages among the correctional staff within the Department of Public Safety and Correctional Services (DPSCS) and the impact of the polygraph testing requirement on the available applicant pool. In spite of high overtime usage and an agreement that additional custodial positions are needed, only 63 correctional officers were hired in calendar 2016 – less than 3% of total applicants for the position.*

*The budget committees request that DPSCS review its use of polygraph tests in the correctional officer hiring process and submit a report on the findings no later than October 1, 2017. The review should address the following:*

- *the current polygraph policies and procedures used by DPSCS;*
- *whether national standards exist and how they compare to those used by DPSCS;*
- *the standards and type of test used by other state or local correctional departments;*
- *a comparison of pass rates for DPSCS applicants to other state and local correctional applicants; and*
- *an analysis of changes that could be made to allow for an improved hiring ratio.*

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
<i>Polygraph testing requirement</i>	<i>DPSCS</i>	<i>October 1, 2017</i>

## Q00B

### Committee Narrative

#### DIVISION OF CORRECTION – WEST REGION

##### Q00R02.01 Maryland Correctional Institution – Hagerstown

**Downsizing the Maryland Correctional Institution – Hagerstown:** Due to reductions in the inmate population, the Department of Public Safety and Correctional Services (DPSCS) is able to implement a partial closure of the Maryland Correctional Institution – Hagerstown (MCI-H). In association with the planned downsizing, the fiscal 2018 budget is reduced by 400 vacant positions and \$16.9 million. The budget committees are interested in receiving detail regarding the exact positions being abolished, the redistribution of the inmate population, and the impact on the remaining bed capacity. DPSCS should submit the report to the budget committees no later than October 1, 2017.

Information Request	Author	Due Date
MCI-H downsizing	DPSCS	October 1, 2017

#### DIVISION OF CORRECTION – EAST REGION

##### Q00S02.03 Maryland Correctional Institution for Women

**Services for Female Offenders:** The Maryland Correctional Institution for Women, located in Anne Arundel County, is the only State-operated correctional facility for female inmates. The budget committees would like to better understand the level of services provided to these female offenders and, therefore, request that the Department of Public Safety and Correctional Services (DPSCS) submit a report by August 15, 2017, on the following:

- the availability of gynecological services in comparison to the size and needs of the population at the facility;
- the availability of pre-release services and job opportunities for female offenders and whether the closure of the Baltimore Pre-release Unit for Women in Baltimore City has impacted these services;
- the policies for allowing contact visits with family and children; and
- the potential transportation options and access for families and others wanting to visit offenders at the Jessup facility.

**Q00B**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Services for female offenders	DPSCS	August 15, 2017

**Q00C01**  
**Maryland Parole Commission**  
**Department of Public Safety and Correctional Services**

**Committee Narrative**

**Implementing the Justice Reinvestment Act:** Chapter 515 of 2016, the Justice Reinvestment Act (JRA), established Maryland’s path to comprehensive criminal justice reform by altering provisions relating to sentencing, corrections, parole, and the supervision of offenders. The Maryland Parole Commission (MPC) is responsible for several initiatives under the Act, regarding statewide parole policy and reform. The budget committees request that MPC provide a progress report on the status of the JRA implementation, including an update on which provisions set to begin in October 2017 have in fact started, performance data, and costs/needs related to implementation by December 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Implementing the JRA	MPC	December 1, 2017

**Q00C02**  
**Division of Parole and Probation**  
**Department of Public Safety and Correctional Services**

**Committee Narrative**

**Q00C02.01 General Administration**

**Enhanced Kiosk Reporting System:** In an effort to be more resourceful with existing technology and equipment and to enhance the kiosk functionality, the Division of Parole and Probation (DPP), in collaboration with the Information Technology and Communications Division, developed an offender check-in system to work in conjunction with the existing kiosk equipment and software. The enhanced version, currently operating in 21 counties, utilizes a web-based check-in system for offenders, which replaces the need for paper sign-in logs. The budget committees request that DPP submit a report on the enhanced kiosk system, efficiencies gained, performance measures including updated offender reporting data, and efforts to make the new system the primary mode of reporting for low/moderate-risk offenders.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Enhanced kiosk reporting system	DPP	December 1, 2017

**Ignition Interlock Program:** Parole and probation agents report that enforcement of the State's Ignition Interlock Program is challenging because of the inability to prove that the defendant was the actual driver at the time of an offense, because defendants can claim that another individual used the vehicle when the violation occurred. The budget committees request that the Division of Parole and Probation (DPP) submit a report that includes the following items by October 1, 2017:

- the expressed policies or rules regarding the use and enforcement of the State's Ignition Interlock Program;
- the number of Ignition Interlock violation cases that are pursued by DPP annually, the outcomes of these cases, and the frequency of these cases; and
- a cost-benefit analysis in conjunction with the Motor Vehicle Administration that studies the feasibility of purchasing dashboard cameras for Ignition Interlock devices, which can provide proof of the driver's identity.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on the Ignition Interlock Program	DPP	October 1, 2017

**Q00G00**  
**Police and Correctional Training Commissions**  
**Department of Public Safety and Correctional Services**

**Budget Amendments**

**Q00G00.01 General Administration**

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation made for the purpose of departmental operations may not be expended until the Police and Correctional Training Commissions (PCTC) submits the following information to the budget committees:

- (1) PCTC's plan to comply with the finalized U.S. Department of Justice consent decree with the Baltimore Police Department and with the consent decree's specific mentions of PCTC involvement and/or oversight regarding regulations, notification, police training, and overall reform efforts;
- (2) PCTC's policies or rules for making a determination as to whether Maryland police departments' training programs or procedures are subject to approval;
- (3) PCTC's specific plan regarding PCTC approval of the official Baltimore Police Department Training Plan mentioned in the consent decree;
- (4) all written policies regarding PCTC oversight of police firearms regulations and standards; and
- (5) PCTC's policies or rules regarding when local jurisdictions' police departments are required to notify PCTC in the event of officer misconduct and officer resignations while misconduct or disciplinary charges are pending.

The report shall be submitted to the budget committees no later than July 1, 2017, and the budget committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** A U.S. Department of Justice (DOJ) investigation of the Baltimore Police Department (BPD) conducted in the wake of the death of Freddie Gray and the subsequent civil unrest, revealed that BPD has systemic deficiencies in policies, training, supervision, and accountability structures. As a result, DOJ entered into a consent decree with BPD that allows for new police training and procedures. In addition, the consent decree mentions that new BPD practices could be, in some cases, subject to what is already routine PCTC oversight.

## Q00G00

The consent decree specifically mentions PCTC and its possible involvement in the following three areas: (1) BPD will track officers' qualifications and require that officers successfully qualify in accordance with the PCTC firearm regulations and standards; (2) BPD must establish a robust training program that may be subject to approval and/or may be conducted by PCTC; and (3) BPD will provide the required notice to PCTC when an officer resigns while a misconduct investigation or disciplinary charges are pending. This language restricts funds pending the receipt of information regarding PCTC involvement with the consent decree, specific policies mentioned in the consent decree, and PCTC's plan to provide assistance to BPD, based on the finalized consent decree.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on PCTC involvement in the DOJ consent decree with BPD	PCTC	July 1, 2017

### Committee Narrative

**Maryland Police Training and Standards Commission:** Chapter 519 of 2016 requires the implementation of several policy changes resulting from the Public Safety and Policing Workgroup. The provision with the largest impact on the Police and Correctional Training Commissions (PCTC) is the reconstitution of the Police Training Commission as an independent Maryland Police Training and Standards Commission. PCTC should report to the budget committees on their progress toward forming the new commission, including any associated costs, implementation challenges, and progress made to procure new database software and conduct a needs assessment for a Scenario-based Learning program. The report is due to the budget committees no later than December 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Maryland Police Training and Standards Commission	PCTC	December 1, 2017

**Q00T04**  
**Division of Pretrial Detention**  
**Department of Public Safety and Correctional Services**

**Budget Amendments**

**Q00T04.09 General Administration**

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation shall be restricted until the Department of Public Safety and Correctional Services (DPSCS) conducts a new post-by-post security staffing analysis for each of its custodial facilities in order to identify the actual number of regular positions needed to safely and securely staff the State’s correctional institutions. DPSCS shall provide a written report to the budget committees no later than December 1, 2017, with biannual submissions thereafter, summarizing the results of the analysis and explaining the need for any staffing changes resulting from the staffing analysis or changes in policy that require the use of additional positions. To the extent possible, the analysis should discuss ways the department is generating operating efficiencies in lieu of the need for additional positions. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** This action requires DPSCS to regularly conduct a post-by-post security staffing analysis and submit a summary report to the budget committees no later than December 1, 2017, explaining the need for any changes in staffing. Providing proper staffing can have an impact on the amount of overtime used by the custodial agencies. Since fiscal 2010, DPSCS has identified the need for positions beyond its existing authorization; however, recent changes to the facility complement and declines in the offender population have made analysis of the staffing need convoluted. Conducting regular staffing assessments should assist the department and the General Assembly in monitoring the staffing and overtime situation in the State’s correctional and detention facilities. This language is modified from prior years to additionally request that the department address the potential for offsetting staffing needs by identifying alternative operating efficiencies.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Post-by-post staffing analysis	DPSCS	December 1, 2017

## Q00T04

### Committee Narrative

**Evaluation of the Cell Phone Managed Access System:** A managed access system was implemented at the Metropolitan Transition Center in April 2013 to alleviate the considerable staff resources dedicated to cell phone confiscations. The system was expanded to include the Baltimore City Detention Center the following year. In fiscal 2018, the Department of Public Safety and Correctional Services (DPSCS) made a decision to move away from expanding its cell phone managed access system, primarily because of the cost. Maintenance for the system averages \$300,000 annually. DPSCS has indicated the availability of less costly, more portable technology to assist with cell phone interdiction. Given the annual expense of operating the existing managed access system, the budget committees request that DPSCS conduct a performance evaluation of the technology, including a cost-benefit analysis, to determine whether use of the system should continue, despite the availability of less costly technology. The report should be submitted to the budget committees by October 30, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Managed access system evaluation	DPSCS	October 30, 2017

**R00A01**  
**Headquarters**  
**State Department of Education**

**Committee Narrative**

**R00A01.01 Office of the State Superintendent**

**Improving Gender and Racial Diversity:** The budget committees are concerned with limited gender and racial diversity among teachers and principals in the State. The committees request that the Maryland State Department of Education (MSDE) submit a report detailing the continued efforts to increase diversity in hiring and in promotion for education professionals statewide. The report should provide the most recent demographic breakdown of teachers and principals by race, ethnicity, and gender for Maryland’s local education agencies (LEA), in addition to providing the same demographic breakdown for new teacher and principal hires for LEAs in calendar 2016 and 2017. The report should also identify specific strategies, goals, and recommendations for legislation to increase diversification among Maryland’s education professionals. The report shall be submitted by December 1, 2017, to the budget committees.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on diversity in hiring and promotion	MSDE	December 1, 2017

**Literacy in Maryland:** The budget committees are concerned with the literacy gap existing in Maryland, particularly for children from age 3 to grade 3 who may need intervention due to them having low literacy. Therefore, the Maryland State Department of Education (MSDE) should study the need for an evidence-based early literacy intervention model that would provide targeted support for Maryland children from age 3 to grade 3 who are at risk of grade 3 reading failure. The study could include a focus on the following:

- leveraging dollars from AmeriCorps with State and school board dollars for programs that target the literacy gap in Maryland, modeled on the successful program in Minnesota; and
- closing the literacy gap in an efficient and effective way.

MSDE shall report to the budget committees on findings from their study by December 1, 2017. The report shall include recommendations for implementing an early literacy intervention model. These recommendations may draw on best practices from other states.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on an early literacy intervention model	MSDE	December 1, 2017

## R00A01

### R00A01.04 Division of Accountability and Assessment

~~**School Start Times and Student Outcomes:** The budget committees continue to be concerned about how school start times affect student outcomes for middle and high school students. Therefore, the Maryland State Department of Education (MSDE) shall conduct a study examining the relationship between start times and student outcomes for schools as measured by the following:~~

- ~~● achievement, determined by Partnership for Assessment of Readiness for College and Careers, Maryland School Assessment, and Advanced Placement scores;~~
- ~~● attendance, determined by chronic absenteeism, both per Maryland (15 days or more) and federal (20 days or more) definitions;~~
- ~~● school safety, determined by number of disciplinary actions and bullying incidents; and~~
- ~~● graduation rates, determined by the four year graduation rate as defined by the National Center of Education Statistics and MSDE.~~

~~The measures should be disaggregated and reported for all students, by race/ethnicity, free and reduced price lunch qualification, English language learners, and disability over the past five years. By December 1, 2017, MSDE shall submit a report to the budget committees that details significant trends and findings from its study that it has found up to that point in time.~~

<del>Information Request</del>	<del>Author</del>	<del>Due Date</del>
<del>Report on school start times and outcomes</del>	<del>MSDE</del>	<del>December 1, 2017</del>

### R00A01.13 Division of Special Education/Early Intervention Services

**Research-based Instructional Best Practices:** The budget committees continue to be concerned about whether students who require specialized intervention services and students who have individualized education programs are receiving support necessary to allow them to improve their academic performance. Therefore, the Maryland State Department of Education (MSDE) shall submit to the budget committees a report on the steps it has taken, and will continue to take, in order to assure the use of research-based best instructional practices in general education and special education for these populations. The report should include a plan for dissemination of the instructional practices, teacher training, and monitoring for students. The report shall be submitted to the budget committees no later than November 15, 2017.

**R00A01**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on best instructional practices	MSDE	November 15, 2017

**R00A02**  
**Aid to Education**  
**State Department of Education**

**Budget Amendments**

Add the following language:

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer the funds from program R00A.02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

**Explanation:** The Maryland State Department of Education (MSDE) should not transfer any funds from Aid to Education until the transfer is reviewed by the budget committees.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on any transfer of funds from R00A02	MSDE	45 days prior to transfer

**Committee Narrative**

**R00A02.01 State Share of Foundation Program**

**Baltimore City Public Schools Savings:** The budget committees direct Baltimore City and Baltimore City Public Schools (BCPS) to convene a joint task force to determine arrangements between the two that will result in savings, including but not exclusive to retiree and current employee health care arrangements for BCPS employees. The joint task force shall report to the committees by December 15, 2017, on what arrangements have been finalized and will be implemented by Baltimore City and BCPS.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on arrangements for savings between Baltimore City and BCPS	Baltimore City BCPS	December 15, 2017

## R00A02

### Budget Amendments

#### R00A02.07 Students With Disabilities

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce general funding for the Nonpublic Placement Program due to a declining enrollment in the program, carrying forward savings from the anticipated reversion for the program in fiscal 2017. This can help address the State’s out-year structural shortfall.	5,000,000	GF
Total Reductions	5,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	445,543,707	440,543,707	5,000,000	
<b>Total Funds</b>	<b>445,543,707</b>	<b>440,543,707</b>	<b>5,000,000</b>	

#### R00A02.13 Innovative Programs

Amend the following language to the general fund appropriation:

General Fund Appropriation, provided that this appropriation shall be reduced by ~~\$7,500,000~~ ~~\$2,500,000~~ \$7,000,000 contingent upon the enactment of legislation repealing the mandate that funding be provided for the Public Schools Opportunities Enhancement Program.

**Explanation:** This action restores ~~\$5 million~~ \$500,000 in general funds for the Public Schools Opportunities Enhancement Program based on actions in the Budget Reconciliation and Financing Act of 2017.

Amendment No. 45

Add the following language to the general fund appropriation:

Further provided that funds for new Pathways in Technology Early College High (P-TECH) schools during the 2017-2018 school year may be used only for one P-TECH school for Allegany County Public Schools; one P-TECH school serving Queen Anne’s County, Talbot County, and Caroline County Public Schools; and two P-TECH schools for Prince George’s County Public Schools.

## R00A02

**Explanation:** This language specifies that funding used to operate new P-TECH schools during the 2017-2018 school year may only be used for one school in Allegany County, one school serving the Upper Eastern Shore, and two schools for Prince George's County.

Strike the following language:

~~Further provided that \$300,000 of this appropriation made for the purpose of providing funding for the Next Generation Scholars Program may not be expended for that purpose but instead may be used only to support the Bard High School Early College Baltimore. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.~~

~~**Explanation:** This action adds language that specifies that \$300,000 in general funds not be expended for the Next Generation Scholars Program and instead may only be spent on the Bard High School Early College Baltimore, an early college high school that allows students to earn an associate's degree or credential alongside a high school diploma in four years. If the Governor chooses to not spend the funds for this restricted purpose, then the funds shall revert to the General Fund.~~

Amendment No. **46**

Add the following language to the general fund appropriation:

*Further provided that \$250,000 of this appropriation made for the purpose of innovative schools may not be expended for that purpose, but instead may only be used, contingent on enactment of SB 908 and provided that no funding is included in a supplemental budget, for the Maryland Education Development Collaborative. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.*

***Explanation:** This action adds language that specifies that \$250,000 in general funds may not be expended for innovative schools and instead may only be spent on the Maryland Education Development Collaborative contingent on the enactment of legislation establishing the collaborative. If the contingent legislation is not enacted or the Governor chooses not to spend the funds for this restricted purpose, then the funds shall revert to the General Fund.*

Amendment No. **47**

## R00A02

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete new funding for an unspecified purpose under current law provided in the budget for innovative schools.	1,000,000 750,000	GF GF
2. Delete new funding provided for a Linking Youth to New eXperiences School in Frederick County, as funding for the school is not mandated. This can only help address the State's out-year structural shortfall.	336,599	GF
3. <del>Reduce general funding for planning grants for new Pathways in Technology Early College High Schools.</del>	600,000	GF
Total Reductions	1,936,599 1,086,599	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	22,933,599	20,997,000 21,847,000	1,936,599 1,086,599	
Federal Fund	2,272,509	2,272,509	0	
<b>Total Funds</b>	<b>25,206,108</b>	<b>23,269,509</b> <b>24,119,509</b>	<b>1,936,599</b> <b>1,086,599</b>	

Amendment No.

48

### Committee Narrative

**Funding for School-based Health Centers:** The committees continue to be concerned about when and how funding for school-based health centers will be awarded. Therefore, the Maryland State Department of Education (MSDE) shall report to the budget committees on the status and timeliness of the award of school-based health center funds for fiscal 2018 no later than August 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on funds for school-based health centers	MSDE	August 1, 2017

## R00A02

### Budget Amendments

#### R00A02.55 Teacher Development

Amend the following language to the general fund appropriation:

General Fund Appropriation, provided that this appropriation shall be reduced by ~~\$5,000,000~~ \$2,900,000 contingent upon the enactment of legislation repealing the mandate that funding be provided for the Teacher Induction, Retention, and Advancement Pilot Program.

**Explanation:** This action restores \$2.1 million in general funds for the Teacher Induction, Retention Advancement Pilot Program based on actions in the Budget Reconciliation and Financing Act of 2017.

Amend the following language to the general fund appropriation:

Further provided that this appropriation shall be reduced by ~~\$1,900,000~~ \$950,000 contingent upon the enactment of legislation repealing the stipend for specific Anne Arundel County Public School teachers.

**Explanation:** *This action restores \$950,000 in general funds for stipends for specific Anne Arundel County Public School teachers based on actions in the Budget Reconciliation and Financing Act of 2017.*

Amendment No.

49

**R00A03**  
**Funding for Educational Organizations**  
State Department of Education

**Committee Narrative**

**FUNDING FOR EDUCATIONAL ORGANIZATIONS**

**R00A03.02 Blind Industries and Services of Maryland**

~~**Managing for Results Submission:** In the annual Managing for Results (MFR) submissions, Blind Industries and Services of Maryland (BISM) reports measures on hours of training provided in blindness skills to adult and senior citizens who are blind or low vision. There is some concern that the current MFR goal for BISM of at least 45,540 hours provided annually is too low to evaluate BISM's performance. BISM should include a more ambitious goal in its MFR submission for the 2018 session that is more in line with its performance in recent years.~~

**Budget Amendments**

**R00A03.04 Aid to Non-Public Schools**

Amend the following language to the special fund appropriation:

, provided that this appropriation shall be for the purchase of textbooks or computer hardware and software and other electronically delivered learning materials as permitted under Title IID, Section 2416(b)(4), (6), and (7) of the No Child Left Behind Act for loan to students in eligible nonpublic schools with a maximum distribution of \$65 per eligible nonpublic school student for participating schools, except that at schools where at least 20% from 20% to 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$95 per student, and at schools where more than 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$155 per student.

**Explanation:** This action amends language modifying the distribution of funding for the Aid to Non-Public Schools Program so that schools where more than 40% of the students are eligible for the free or reduced-priced lunch program receive \$155 per student. Similar language was included in the fiscal 2017 budget.

Add the following language to the special fund appropriation:

Further provided that a nonpublic school participating in the Aid to Non-Public Schools Program R00A03.04 shall certify compliance with Title 20, Subtitle 6 of the State Government Article. A nonpublic school participating in the program may not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or

## R00A03

moral teachings. However, all participating schools must agree that they will not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. The sole legal remedy for violation of these provisions is ineligibility for participating in the Aid to Non-Public Schools Program.

**Explanation:** This action requires a nonpublic school participating in the Aid to Non-Public Schools Program to certify compliance with Title 20, Subtitle 6 of the State Government Article. It also specifies that a participating school may not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Violating the provisions makes a school ineligible for participating in the Aid to Non-Public Schools Program. Similar language was included in the fiscal 2017 budget.

### R00A03.05 Broadening Options and Opportunities for Students Today

Amend the following language to the special fund appropriation:

~~Further provided that up to \$150,000 of the appropriation may be used by MSDE to cover the reasonable costs of administering the BOOST Program~~

Further provided that MSDE shall submit a report to the budget committees by December 15, 2017, that includes the following:

- (1) the number of students receiving BOOST Program scholarships;
- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the assessments being administered in accordance with federal and State law by nonpublic schools participating in the BOOST Program, as well as student performance on those assessments;
- (5) in the aggregate, for each BOOST Program scholarship awarded (1) the nonpublic school and grade level attended by the student; (2) the school attended in the 2016-2017 school year by the student; and (3) if the student attended the same nonpublic school in the 2016-2017 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2016-2017 school year and will receive in the 2017-2018 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;

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- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;
- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) the number of students who were offered BOOST Program scholarships but declined them, as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships; and
- (12) the number of students who received BOOST Program scholarships for the 2016-2017 school year who are attending public school for the 2017-2018 school year, as well as their reasons for returning to public schools.

**Explanation:** This language requires the Maryland State Department of Education (MSDE) to report on the distribution of the Broadening Options and Opportunities for Students Today (BOOST) Program scholarships, information on the students receiving BOOST Program scholarships, teacher certifications for nonpublic schools participating in the BOOST Program, and assessments being administered in nonpublic schools participating in the BOOST Program. The language also requires that MSDE report on students who choose to decline scholarships or attend public schools after participating in the BOOST Program in the past, along with their reasons for doing so. Finally, this language deletes language designating BOOST Program funding for administration, as this funding has already been included in the MSDE Headquarters budget, and is therefore unnecessary.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
BOOST Program Report	MSDE	December 15, 2017

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce Cigarette Restitution Funding for the Broadening Options and Opportunities for Students Today (BOOST) Program to provide BOOST Program scholarships only to students who attended public schools during the 2015-2016 school year.</del>	4,794,096	SF
Total Reductions	4,794,096	0

**R00A03**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	6,850,000	<del>2,055,904</del> 6,850,000	<del>4,794,096</del> 0	
<b>Total Funds</b>	<b>6,850,000</b>	<b><del>2,055,904</del></b> <b>6,850,000</b>	<b><del>4,794,096</del></b> <b>0</b>	

Amendment No.

**50**

**R00A04**  
**Children's Cabinet Interagency Fund**  
**State Department of Education**

**Budget Amendments**

**R00A04.01 Children's Cabinet Interagency Fund**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Reduce appropriation intended for training and technical assistance. The reduction still allows for a 31% increase over planned fiscal 2017 spending.	100,000	GF
Total Reductions	100,000	0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
General Fund	18,655,376	18,555,376	100,000	
<b>Total Funds</b>	<b>18,655,376</b>	<b>18,555,376</b>	<b>100,000</b>	

# HIGHED\*

## Higher Education Overview

### Committee Narrative

**Institutional Aid, Pell Grants, and Loan Data by Expected Family Contribution Category:**

In order to more fully understand all types of aid available to students, the committees request that data be submitted for each community college, public four-year institution, and independent institution on institutional aid, Pell grants, and student loans. Data should include, by expected family contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC). Additionally, data should be provided on Pell grants, including the number and average award size by EFC. Finally, data should include the number of institutional aid awards and average award size by EFC for institutional grants, institutional athletic scholarships, and other institutional scholarships. The data in the response should differentiate between need-based aid and merit scholarships. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents and students. Waiver information for students should be reported by each type of waiver in State law. This report should cover fiscal 2017 data received by MHEC from State institutions and is to be submitted in an electronic format (Excel file).

Information Request	Author	Due Date
Report on fiscal 2017 financial aid categories by EFC	MHEC	June 30, 2018

**Instructional Faculty Workload Report:** The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary’s College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured/tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty. However, there are other types of instructional faculty at institutions such as full- and part-time nontenured/nontenure-track faculty including adjunct faculty, instructors, and lecturers. Focusing on only tenured/tenure-track faculty provides an incomplete picture of how students are taught. Therefore, the report should also include the instructional workload when all types of faculty are considered. Additional information may be included at the institution’s discretion. Furthermore, the USM report should include the percent of faculty meeting or exceeding teaching standards for tenured/tenure-track faculty for the University of Maryland, Baltimore.

Information Request	Authors	Due Date
Annual report on faculty workload	USM MSU SMCM	December 15, 2017

## HIGHED\*

**Report on Revised Comparable Funding Peers:** Funding guidelines are used to assess how Maryland’s institutions are funded relative to comparable “peer” institutions in Maryland competitor states. Comparable institutions as outlined in the Commission to Develop the Maryland Model for Funding Higher Education report defines peers as those institutions of similar academic scope, comparable size, similar student profile, and same Carnegie classification. However, in the most recent update of peer institutions, peers were selected based only on their Carnegie classification resulting in five University System of Maryland (USM) institutions having the same peer institutions. As a result, the funding guidelines do not allow for an accurate comparison of how Maryland funds its institutions compared to those in competitor states. Therefore, the committees request that the Maryland Higher Education Commission (MHEC), in consultation with USM, Morgan State University, the Department of Legislative Services, and the Department of Budget and Management, revise the funding peer institutions for each public four-year institution to include only those institutions in competitor states with comparable attributes to the “home” Maryland institution. Peers for the University of Maryland, College Park and the University of Maryland, Baltimore should be those institutions comparable to the University of Maryland campuses. The report should be submitted to the budget committees by September 15, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on revised comparable funding peers	MHEC	September 15, 2017

**R30B00**  
**University System of Maryland**

**Budget Amendments**

Amend the following language:

Provided that University System of Maryland institutions that have a positive State-supported fund balance shall not be required to transfer State-supported funds to the fund balance as determined by the University System of Maryland Office or the Board of Regents. ~~Any transfers of State-supported funds to the fund balance shall be at the discretion of the institution's President.~~ It shall be at the discretion of an institution's President whether to transfer State-supported funds to the fund balance or to use the funds to support other institutional priorities.

**Explanation:** This language stipulates that those University System of Maryland (USM) institutions that have a positive balance in their State-supported fund balance are not required to transfer State-supported funds to the fund balance as required by the USM Office or the Board of Regents. ~~Furthermore any transfers of State-supported funds to the fund balance will be at the discretion of the institution's President.~~ *Furthermore, an institution's President may transfer State-supported funds or use the funds to support other institutional priorities.*

Amendment No.

**51**

**R30B24**  
**Towson University**  
**University System of Maryland**

**Budget Amendments**

**R30B24.00 Towson University**

Add the following language to the unrestricted fund appropriation:

Further provided that \$70,000 of this appropriation made for the purpose of maintaining Hidden Waters shall be reduced. It is the intent of the General Assembly that the University System of Maryland Foundation assume full responsibility for the costs of maintaining Hidden Waters.

**Explanation:** This language reduces Towson University (TU) unrestricted (general fund) funds by \$70,000. These funds are related to maintaining Hidden Waters, the Chancellor's residence in Baltimore County. A fiscal 2017 budget amendment transferred the general funds from the University of Maryland, Baltimore to TU for ground maintenance, operations, and utilities of the residence. Since it is owned by the University System of Maryland Foundation, it is their responsibility to maintain the property.

**R30B25**  
**University of Maryland Eastern Shore**  
**University System of Maryland**

**Budget Amendments**

**R30B25.00 University of Maryland Eastern Shore**

Add the following language to the unrestricted fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the University of Maryland Eastern Shore submits a report by November 10, 2017, to the budget committees on the actual fiscal 2017 revenues and expenditures by program areas and the fiscal 2018 revenues and expenditures by program areas based on the fall 2017 enrollment. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The language restricts \$0.1 million of the current unrestricted (general fund) appropriation until the University of Maryland Eastern Shore (UMES) submits a report by November 10, 2017, to the budget committees on the actual fiscal 2017 revenues and expenditures by program area and the fiscal 2018 revenues and expenditures by program area based on the fall 2017 enrollment.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Fiscal 2017 and 2018 revenues and expenditures	UMES	November 10, 2017

**R30B36**  
**University System of Maryland Office**  
**University System of Maryland**

**Budget Amendments**

Amend the following language:

Provided that State-supported positions at the University System of Maryland Office shall not exceed 87.66 full-time equivalent (FTE) positions. Further provided the number of executive management positions shall not exceed 12.80 FTE positions.

**Explanation:** This language freezes the total number of State-supported positions at the University System of Maryland Office at 87.66 full-time equivalents *and further freezes the number of executive management positions including Chancellor, Vice Chancellors, Senior Vice Chancellors and Associate Vice Chancellors to 12.80 FTEs. This addresses the budget committee concerns about the growth in executive management positions.*

Amendment No.

**52**

**R62I00**  
**Maryland Higher Education Commission**

**Budget Amendments**

Add the following language:

It is the intent of the General Assembly that the Maryland Higher Education Commission use its Need-Based Student Financial Assistance Fund's fund balance to provide for an increase of at least 2% in initial awarding of State support for total need-based student financial assistance in fiscal 2018 so that State support matches the expected increase in tuition at public four-year institutions.

**Explanation:** It is the intent of the General Assembly that State support for need-based student financial assistance should grow commensurate with the expected increase in tuition at public four-year institutions. The Maryland Higher Education Commission can use the fund balance from the Need-Based Student Financial Assistance Fund to augment the fiscal 2018 allowance to achieve this goal. This would require a transfer of approximately \$0.6 million.

**R62I00.03    Joseph A. Sellinger Formula for Aid to Non-Public Institutions of Higher Education**

Strike the following language from the general fund appropriation:

~~, provided that this appropriation shall be reduced by \$6,574,208 contingent upon the enactment of legislation to level fund the grant to private colleges and universities at the fiscal 2017 amount.~~

**Explanation:** This language is not necessary for the General Assembly to reduce the appropriation.

Reduce appropriation for the purposes indicated:

	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Reduce funding to the Sellinger program to provide for more funding than is specified by the Budget Reconciliation and Financing Act of 2017 for fiscal 2018.	4,574,208	GF
	2,391,542	GF
 Total Reductions	 4,574,208	 2,391,542

**R62I00**

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	53,391,542	48,817,334	4,574,208	
		51,000,000	2,391,542	
<b>Total Funds</b>	<b>53,391,542</b>	<b>48,817,334</b>	<b>4,574,208</b>	
		51,000,000	2,391,542	

Amendment No.

**53**

**R62I00.05 The Senator John A. Cade Funding Formula for the Distribution of Funds to Community Colleges**

Add the following language to the general fund appropriation:

, provided that the appropriation made herein for local community colleges be reduced by \$296,405.

**Explanation:** This \$0.3 million reduction in general funds for local community colleges corrects for an overstatement of enrollment in the fiscal 2018 allowance.

Strike the following language:

~~Further provided that \$3,000,000 of this appropriation shall be distributed only in proportion to the number of resident credit seeking full time equivalent students enrolled at each eligible institution during fiscal 2016, as determined by the Maryland Higher Education Commission (MHEC). To be eligible for grant funding, institutions must not increase fall 2017 tuition by more than 2%.~~

~~Further provided that \$1,000,000 of this appropriation shall be distributed only in proportion to the number of resident credit seeking full time equivalent students enrolled at each eligible institution during fiscal 2016, as determined by MHEC. Eligible institutions shall include Carroll Community College, Cecil College, Chesapeake College, and Wor Wic Community College.~~

~~Funds restricted for these specific purposes may not be transferred by budget amendment or otherwise to any other purpose and if not expended for these purposes shall revert to the General Fund.~~

## R62I00

~~**Explanation:** There is a new, one-time \$4 million grant for community colleges in fiscal 2018. This language directs the MHEC to distribute \$3 million to all community colleges who do not increase tuition by more than 2% based on each institution's resident credit seeking full-time equivalent enrollment. The remaining \$1 million shall be distributed in the same manner, but only to the four community colleges specified in language.~~

54

Amendment No.

Add the following language to the general fund appropriation:

Further provided that \$4,000,000 of this appropriation made herein for the one-time supplemental grant for community colleges shall be used only for that purpose. A community college is eligible to receive a portion of funding from this grant if it raises tuition by no more than 2% for the 2017-2018 academic year. Total grant funding is to be distributed among eligible institutions, as determined by the Maryland Higher Education Commission (MHEC), in proportion to each institution's share of Cade formula-eligible enrollments in fiscal 2016, also as determined by MHEC. If found eligible, Baltimore City Community College (BCCC) (R95C00) may receive funding from this grant through a budget amendment. Funding from the one-time grant shall not be incorporated into the Cade formula or in BCCC's funding formula when calculating State support in fiscal 2019. Funds restricted for this specific purpose may not be transferred by budget amendment or otherwise to any other purpose and if not expended for this purpose shall revert to the General Fund.

**Explanation:** There is a new, one-time \$4 million grant for community colleges in fiscal 2018. The Maryland Association of Community Colleges has indicated all 16 of Maryland's community colleges have met the requirement of not raising tuition by more than 2% in fall 2017 in order to be eligible for this grant funding. This language requires MHEC to determine that institutions have done so and then directs how funding should be distributed by college. This language allows for transferring a portion of funding to Baltimore City Community College, which is budgeted under a separate program code, if that institution is determined to be eligible. Funding is one-time only and shall not be included in any funding formulas for community colleges in fiscal 2019.

55

Amendment No.

## R62I00

### R62I00.07 Educational Grants

Add the following language to the general fund appropriation:

, provided it is the intent of the General Assembly that the Office for Civil Rights Enhancement Fund be moved from the Maryland Higher Education Commission to the base budgets of the Historically Black Colleges and Universities beginning in fiscal 2019.

**Explanation:** This language expresses intent that Enhancement Funds for Historically Black Colleges and Universities be moved from the grants budget of the Maryland Higher Education Commission to the base budget of the institutions themselves beginning in fiscal 2019.

### R62I00.10 Educational Excellence Awards

Add the following language:

Provided that funds appropriated for Educational Excellence Awards may not be transferred to any other program or purpose.

**Explanation:** The language restricts funds for Educational Excellence Awards to that purpose. The annual program carries a waiting list in excess of 10,000 students. By statute, unspent funds will be deposited in the Need-Based Student Financial Assistance Fund.

### R62I00.15 Delegate Scholarships

Strike the following language:

~~, provided that \$303,620 of this appropriation made for the purpose of Delegate Scholarships may not be expended for that purpose and instead may only be transferred by budget amendment to Educational Excellence Awards (R62I00.10) to be used for need-based student financial aid. Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.~~

**Explanation:** ~~In the fiscal 2018 allowance, there is approximately \$0.3 million more than necessary to allow the Delegate Scholarships program to grow with the expected increase in tuition at public four-year institutions. This language restricts \$0.3 million in funding for Delegate Scholarships so that it may only be transferred by budget amendment to the Educational Excellence Awards program to make additional need-based financial aid awards.~~

Amendment No.

56

## R62I00

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. <i>Reduce general funds for Delegate Scholarships to level fund the program in fiscal 2018.</i>	430,000	GF
<i>Total Reductions</i>	430,000	

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
<i>General Fund</i>	6,749,000	6,319,000	430,000	
<b><i>Total Funds</i></b>	<b>6,749,000</b>	<b>6,319,000</b>	<b>430,000</b>	

Amendment No.

**57**

### Committee Narrative

**Report on Noncredit Student Data from Fiscal 2016:** The Maryland Higher Education Commission (MHEC) has informed the budget committees that it is piloting a new data collection effort regarding completion in noncredit workforce training programs in fiscal 2016. The committees request MHEC summarize the data that is received and explain how MHEC and Maryland Longitudinal Data System are working together to determine the effectiveness of noncredit sequences in meeting the State’s workforce needs.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on noncredit student data from fiscal 2016	MHEC	December 1, 2017

**Report on Best Practices and Annual Progress Toward the 55% Completion Goal:** The committees understand that in order to meet the State’s goal to have at least 55% of Maryland’s residents age 25 to 64 holding at least one degree credential by 2025, accurate and timely information on degree progression and best practices is needed to ensure that the State is on track to meet the goal. The committees request that the Maryland Higher Education Commission (MHEC) annually collect and analyze student- and transcript-level data on progression, graduation, and other relevant metrics from each public institution of higher education, including community colleges and regional higher education centers. MHEC should submit a report by December 15 each year that analyzes the data and shows each institution’s progress toward the State and institutional goals in 2025. The report should also include a summary of best practices

## R62I00

and findings on the effectiveness of institutions' programs, as well as any concerns regarding lack of progress or best practices that are not being implemented by institutions.

In addition, the committees request that MHEC, in collaboration with the Governor's Prekindergarten-20 Council, convene a biennial Summit on Completion that provides a forum for representatives of all segments of education (including K-12), economic and workforce development, and other stakeholders to share best practices on college completion that are underway in Maryland and hear from experts on best practices in other states that may be replicated in Maryland. A summary of the summit should be included in the annual report on best practices and progress toward the 55% goal.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on best practices and progress toward the 55% completion goal	MHEC	December 15, 2017, and annually thereafter

**Report on State Financial Aid Application Deadline:** The Maryland Higher Education Commission (MHEC) currently requires students to submit a Free Application for Federal Student Aid (FAFSA) by March 1 of each year to be considered for a State need-based financial aid award. The budget committees are concerned that some students with high financial need are excluded from consideration of State need-based financial aid awards because they may not make a decision to enroll in higher education until after March 1. MHEC should study the impact of extending the FAFSA deadline and report on the financial need of students who file FAFSAs near the deadline and beyond the deadline and also analyze the effect any deadline change would have on the student waitlist for State need-based financial aid awards. MHEC should consider deadlines used in other states for similar need-based financial aid programs.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on State Financial Aid Application Deadline	MHEC	December 1, 2017

**Revised Report on Student Success at Historically Black Colleges and Universities:** The Maryland Higher Education Commission (MHEC) has reported that it is interested in revising the annual Access and Success funding report that reviews cohort outcomes at historically black colleges and universities (HBCU). The budget committees concur and also request that MHEC include in its new report how the annual Office for Civil Rights HBCU Enhancement Funding is used to improve student success. The report should discuss changes in the methodology for evaluating the use of funds and how the HBCUs are progressing in improving student outcomes. MHEC should explore ways to make the new annual report more useful to HBCUs and other organizations and institutions in the P-20 continuum. The report is due by December 1, 2017.

**R62I00**

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Revised report on best practices for student success and accountability at HBCUs	MHEC	December 1, 2017

## R75T00 Higher Education

### Budget Amendments

#### R75T00.01 Support for State Operated Institutions of Higher Education

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation may not be expended until the University of Maryland Eastern Shore submits a report by November 10, 2017, to the budget committees on the actual fiscal 2017 revenues and expenditures by program areas and the fiscal 2018 revenues and expenditures by program areas based on the fall 2017 enrollment. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

**Explanation:** The language restricts \$0.1 million of the general fund appropriation until the University of Maryland Eastern Shore (UMES) submits a report by November 1, 2017, to the budget committees on the actual fiscal 2017 revenues and expenditures by program area and the fiscal 2018 revenues and expenditures by program area based on the fall 2017 enrollment.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Fiscal 2017 and 2018 revenues and expenditures	UMES	November 10, 2017

Add the following language to the general fund appropriation:

Further provided that \$70,000 of this appropriation made for the purpose of Towson University to maintain Hidden Waters shall be reduced. It is the intent of the General Assembly that the University System of Maryland Foundation assume full responsibility for the costs of maintaining Hidden Waters.

**Explanation:** This language reduces the Towson University (TU) general fund by \$70,000. These funds are related to maintaining Hidden Waters, the Chancellor's residence in Baltimore County. A fiscal 2017 budget amendment transferred the general funds from the University of Maryland, Baltimore to TU for ground maintenance, operations, and utilities of the residence. Since it is owned by the University System of Maryland Foundation it is their responsibility to maintain the property.

## R75T00

Strike the following language:

~~Further provided that this appropriation made for the purpose of Baltimore City Community College be reduced by \$750,000.~~

~~**Explanation:** This action holds Baltimore City Community College harmless to the working fiscal 2017 level of State support through the funding formula.~~

Amendment No.

58

Add the following language to the general fund appropriation:

Further provided that, contingent on the enactment of HB 1595 or SB 1127, \$150,000 of this appropriation made for the purpose of Baltimore City Community College (BCCC) may be expended only on costs related to the implementation of HB 1595 or SB 1127.

Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** This language restricts \$150,000 at Baltimore City Community College to purposes related to implementing HB 1595 or SB 1127.

Amendment No.

59

Add the following language to the general fund appropriation:

Further provided that \$600,000 of this appropriation made for the purpose of BCCC may not be expended for that purpose but instead may only be transferred to the University System of Maryland Office (R30B36) for the following purposes:

- (1) \$450,000 to the Universities at Shady Grove to support new academic programming related to the new Biomedical Sciences and Engineering Education Facility; and
- (2) \$150,000 to the University System of Maryland at Hagerstown to support new academic programming.

Funds not expended for these restricted purposes may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

## R75T00

*Explanation:* This language restricts \$600,000 to increase State support for two regional higher education centers operated by the University System of Maryland for specified purposes.

Amendment No.

60

Add the following language to the general fund appropriation:

Further provided that, contingent upon the failure of enactment of HB 1595 and SB 1127, \$1,000,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a draft implementation plan to the budget committees on the institution's follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in developing the implementation plan. The draft implementation plan is due by February 1, 2018, and the final implementation plan is due by June 30, 2018.

The implementation plan shall explain how BCCC is:

- (1) strategically focusing core offerings of BCCC on the needs of students at BCCC and the workforce of Baltimore City, including review and, if needed, elimination of programs;
- (2) making workforce development and job placement top educational priorities of BCCC;
- (3) improving student pathways to success, including remedial education, attainment of a degree or a postsecondary certificate, and transfer to a four-year institution of higher education;
- (4) improving student pathways to success with the Baltimore City Public School System, institutions of higher education, and employers;
- (5) aligning the budget of BCCC with realistic enrollment projections;
- (6) engaging in a comprehensive review of all positions, faculty, and staff at BCCC;
- (7) establishing strong relationships with key stakeholders, including:
  - (a) the Mayor of Baltimore City;
  - (b) the Mayor's Office of Employment Development;
  - (c) the Baltimore City Public School System;
  - (d) institutions of higher education located in Baltimore City;

## R75T00

- (e) State agencies, including the Department of Labor, Licensing, and Regulation;
  - (f) private employers; and
  - (g) business and community organizations.
- (8) rebuilding and marketing the brand of BCCC;
- (9) addressing the information technology and infrastructure needs of BCCC, including whether oversight by the Department of Information Technology is advisable;
- (10) developing or selling all unused or underutilized real estate holdings, including the Inner Harbor site; and
- (11) identifying any barriers in State or local laws or regulations that impede the ability of BCCC to operate efficiently and effectively, including procurement and capital construction projects.

The budget committees shall have 45 days to review and comment from the date of receipt of the draft implementation plan. Funds restricted pending receipt of the draft implementation plan may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the draft implementation plan is not submitted to the budget committees.

**Explanation:** BCCC has previously submitted a response to the Schaefer Center's comprehensive report on BCCC's operations and management in which it agreed with most of the findings and recommendations. The budget committees request an implementation plan wherein BCCC will identify how is implementing the recommendations of the Schaefer Center that BCCC previously agreed with and how the institution is being held accountable for meeting those recommendations. State support of \$1 million is restricted pending receipt of a draft implementation plan, which is due February 1, 2018. The final implementation plan is due June 30, 2018. It is the intent of the budget committees that fiscal 2019 State support for BCCC shall be restricted if the final implementation plan is not received by June 30, 2018.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Draft Implementation Plan	BCCC	February 2, 2018
Final Implementation Plan	BCCC	June 30, 2018

## R75T00

### Committee Narrative

**Fund Balance Workgroup:** The budget committees are concerned about the University System of Maryland's (USM) growing fund balance and the pressure on institutions to transfer funds to the fund balance. The committees are also concerned about the lack of transparency regarding the uses of and transfer to the fund balance made by institutions during the fiscal year. Between fiscal 2011 and 2016, transfers to the fund balance consistently exceeded the allowance, ranging from \$0.3 million in fiscal 2014 to \$61.9 million in fiscal 2012. This resulted in the fund balance growing 34.2%, or \$254.1 million, to \$997.1 million by fiscal 2016, and it is projected to increase to \$1.1 billion by fiscal 2018. While USM needs a fund balance not only to maintain its credit rating but to help fund various capital projects at institutions that otherwise may not have funding to proceed, there needs to be a better understanding on the function of the fund balance and other resources used by the credit rating agencies when evaluating USM's rating, such as plant funds and endowments. To that end, the budget committees shall convene a workgroup to examine various aspects of the fund balance and resources that credit rating agencies take into account when evaluating USM's rating. The workgroup will:

- review policies and procedures regarding the transfer to, and use of, fund balance and plant funds;
- identify the role of the Board of Regents (BOR) in approving fund balance and plant fund activity and in setting the appropriate fund balance level;
- *examine ways to increase and improve transparency of how decisions are made in determining the amount to be budgeted for transfer to the fund balance and plant fund;*
- determine the *appropriate* oversight role of the State;
- identify the role of an institution's president in determining transfers to fund balance and access to funds;
- identify and evaluate, by institution, transactional level data for each transfer and use of funds transferred from and to the fund balance and plant fund in fiscal 2016 and 2017 and planned activity in fiscal 2018 with transfers for related purposes under \$100,000 being reported as one transaction;
- review the process and procedures for internal or intra-institutional loans;
- identify and evaluate, by institution, current internal or intra-institutional loans including purpose, loan amount, and repayment schedule;

## R75T00

- examine the use of fund balance or alternative methods to match private endowment contributions for institutional facilities;
- identify past trends in uses of, and transfers to, the fund balance by institution; and
- identify the balance between fiscal discipline and the use of available revenues to support institutional priorities.

The workgroup will recommend changes to policies and procedures, including legislation that may be needed to implement any recommendations. The workgroup will be comprised of two members from the Senate Budget and Taxation Committee and two members from the House Appropriations Committee; a member of BOR; the Chancellor; a USM president; the Secretary, or designee, of the Department of Budget and Management; and State Treasurer, or designee. A report and recommendations should be submitted by December 1, 2017.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Fund balance workgroup report	Fund balance workgroup	December 1, 2017

**Report on Contractual Employees:** *Higher education institutions comprise over half of all contractual employees in State government. These employees are typically eligible for basic leave and are not entitled to participate in State or optional retirement programs. Contractual employees who work more than 30 hours per week, or 130 hours a month, receive a 75% State subsidy for medical and prescription coverage offered by the State. Those working less than 30 hours per week have access to health insurance. In general, contractual employees are expected to be temporary. To ensure this, the University System of Maryland's (USM) policy requires contingent or contractual employees who have been continuously employed at the same institution for three years to be converted to regular positions. In addition, each institution reports annually to USM Office on the use of contingent or contractual employees. The budget committees are interested in the use of contractual employees and, therefore, request a report from USM, Morgan State University (MSU), St. Mary's College of Maryland (SMCM), and Baltimore City Community College (BCCC) on the number of contractual employees and the number of years they have been in the position, job titles, policy for converting contractual employees to regular positions, and a five-year plan to convert contractual employees with a goal to limit contractual employees to short-term jobs.*

**R75T00**

<i>Information Request</i>	<i>Authors</i>	<i>Due Date</i>
<i>Report on contractual employees</i>	<i>USM MSU SMCM BCCC</i>	<i>October 1, 2017</i>

**R95C00**  
**Baltimore City Community College**

**Budget Amendments**

**R95C00.00 Baltimore City Community College**

Strike the following language:

~~provided that this appropriation made for the purpose of Baltimore City Community College be reduced by \$750,000.~~

~~**Explanation:** This action holds Baltimore City Community College harmless to the working fiscal 2017 level of State support through the funding formula.~~

Amendment No. **61**

Add the following language to the unrestricted fund appropriation:

provided that, contingent on the enactment of HB 1595 or SB 1127, \$150,000 of this appropriation made for the purpose of Baltimore City Community College (BCCC) may only be expended on costs related to the implementation of HB 1595 or SB 1127.

Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** This language restricts \$150,000 at Baltimore City Community College to purposes related to implementing HB 1595 or SB 1127.

Amendment No. **62**

Add the following language to the unrestricted fund appropriation:

Further provided that \$600,000 of this appropriation made for the purpose of BCCC may not be expended for that purpose but instead may only be transferred to the University System of Maryland Office (R30B36) for the following purposes:

- (1) \$450,000 to the Universities at Shady Grove to support new academic programming related to the new Biomedical Sciences and Engineering Education Facility; and
- (2) \$150,000 to the University System of Maryland at Hagerstown to support new academic programming.

## R95C00

Funds not expended for these restricted purposes may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** *This language restricts \$600,000 to increase State support for two regional higher education centers operated by the University System of Maryland for specified purposes.*

Amendment No.

63

Add the following language to the unrestricted fund appropriation:

Further provided that, contingent upon the failure of enactment of HB 1595 and SB 1127, \$1,000,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a draft implementation plan to the budget committees on the institution's follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in developing the implementation plan. The draft implementation plan is due by February 1, 2018, and the final implementation plan is due by June 30, 2018.

The implementation plan shall explain how BCCC is:

- (1) strategically focusing core offerings of BCCC on the needs of students at BCCC and the workforce of Baltimore City, including review and, if needed, elimination of programs;
- (2) making workforce development and job placement top educational priorities of BCCC;
- (3) improving student pathways to success, including remedial education, attainment of a degree or a postsecondary certificate, and transfer to a four-year institution of higher education;
- (4) improving student pathways to success with the Baltimore City Public School System, institutions of higher education, and employers;
- (5) aligning the budget of BCCC with realistic enrollment projections;
- (6) engaging in a comprehensive review of all positions, faculty, and staff at BCCC;
- (7) establishing strong relationships with key stakeholders, including:
  - (a) the Mayor of Baltimore City;
  - (b) the Mayor's Office of Employment Development;
  - (c) the Baltimore City Public School System;

## R95C00

- (d) institutions of higher education located in Baltimore City;
  - (e) State agencies, including the Department of Labor, Licensing, and Regulation;
  - (f) private employers; and
  - (g) business and community organizations.
- (8) rebuilding and marketing the brand of BCCC;
- (9) addressing the information technology and infrastructure needs of BCCC, including whether oversight by the Department of Information Technology is advisable;
- (10) developing or selling all unused or underutilized real estate holdings, including the Inner Harbor site; and
- (11) identifying any barriers in State or local laws or regulations that impede the ability of BCCC to operate efficiently and effectively, including procurement and capital construction projects.

The budget committees shall have 45 days to review and comment from the date of receipt of the draft implementation plan. Funds restricted pending receipt of the draft implementation plan may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the draft implementation plan is not submitted to the budget committees.

**Explanation:** BCCC has previously submitted a response to the Schaefer Center's comprehensive report on BCCC's operations and management in which it agreed with most of the findings and recommendations. The budget committees request an implementation plan wherein BCCC will identify how it is implementing the recommendations of the Schaefer Center that BCCC previously agreed with and how the institution is being held accountable for meeting those recommendations. State support of \$1 million is restricted pending receipt of a draft implementation plan, which is due February 1, 2018. The final implementation plan is due June 30, 2018. It is the intent of the budget committees that fiscal 2019 State support for BCCC shall be restricted if the final implementation plan is not received by June 30, 2018.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Draft Implementation Plan	BCCC	February 1, 2018
Final Implementation Plan	BCCC	June 30, 2018

**S00A**  
**Department of Housing and Community Development**

**Budget Amendments**

**DIVISION OF NEIGHBORHOOD REVITALIZATION**

**S00A24.02 Neighborhood Revitalization – Capital Appropriation**

Amend the following language to the general fund appropriation:

Further provided that this appropriation shall be reduced by \$5,000,000 contingent upon the enactment of legislation ~~repealing~~altering the mandate for the Seed Community Development Anchor Institution Fund.

**Explanation:** This action amends contingent language regarding the Seed Community Development Anchor Institution Fund consistent with a change in the Budget Reconciliation and Financing Act of 2017.

Add the following language to the special fund appropriation:

*, provided that \$1,250,000 of this appropriation made for the purposes of providing grants and loans to small businesses in designated neighborhood revitalization areas may be used only for the purpose of providing a subordinated loan or equity investment in the Maryland Targeted Communities Investment Fund, to be sponsored by the Maryland Economic Development Corporation. The Secretary of Housing and Community Development is authorized to transfer up to \$1,250,000 in special funds in total by budget amendment to S00A24.02 Neighborhood Revitalization – Capital Appropriation from any of the following programs: S00A25.07 Rental Housing Programs – Capital Appropriation, S00A25.08 Homeownership Programs – Capital Appropriation, or S00A25.09 Special Loan Program – Capital Appropriation.*

*Further provided that it is the intent of the General Assembly that the Department of Housing and Community Development receive a general fund appropriation of \$1,250,000 in fiscal 2019 and 2020 for the purpose of providing subordinated loans or equity investments in the Maryland Targeted Communities Investment Fund.*

**Explanation:** This language restricts \$1,250,000 in special funds in the Department of Housing and Community Development to be used only for subordinated loans or equity investments in the Maryland Targeted Communities Investment Fund in fiscal 2018 and expresses legislative intent that this program be funded at \$1,250,000 in general funds in fiscal 2019 and 2020.

Amendment No.

**64**

**S50B01**  
**Maryland African American Museum Corporation**

**Committee Narrative**

**S50B01.01 General Administration**

**Report on Maryland African American Museum Corporation’s Performance, Staffing Levels, Board Members, and Financials:** The Maryland African American Museum Corporation (MAAMC) by definition is not a State agency and does not participate in the State’s Managing for Results program. There are no current performance measures that report the condition of the museum. Funding provided by the State has been historically flat despite its inability to meet the match requirement. Because of this, the State is currently providing more than 50% of the corporation’s operating expenses, which is inconsistent with what is stated in the Memorandum of Understanding. The committees request that MAAMC and the Department of Budget and Management (DBM) submit the most recent audited financial statements, attendance, board composition, and staffing levels with the annual budget submission.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Audited financials, attendance report, board members (current and vacancies), and staffing levels	MAAMC DBM	With the annual budget submission

**T00**  
**Department of Commerce**

**Budget Amendments**

**OFFICE OF THE SECRETARY**

**T00A00.02 Office of Policy and Research**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce funds under the Office of Biohealth. The department relinquished \$400,000 in general funds in fiscal 2017 after failing to transfer funds as directed under restrictive budget bill language. However, funds remained in the fiscal 2018 allowance. This action would lower general funds by the same amount, reflecting the lower fiscal 2017 appropriation.</del>	400,000	GF
 Total Reductions	400,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	11.00	11.00		0.00
General Fund	1,337,315	937,315 <i>1,337,315</i>	400,000 0	
Special Fund	261,590	261,590	0	
Federal Fund	21,024	21,024	0	
<b>Total Funds</b>	<b>1,619,929</b>	<b>1,219,929</b> <i>1,619,929</i>	<b>400,000</b> 0	

Amendment No.

**65**

**T00**

**DIVISION OF BUSINESS AND ENTERPRISE DEVELOPMENT**

**T00F00.15 Small, Minority, and Women-Owned Business Investment Account**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the <del>increase funds</del> under the Small, Minority, and Women-Owned Business Account. <del>This leaves \$13.7 million in special funds for this program.</del>	3,768,689 SF 16,895,000 SF	
 Total Reductions	 3,768,689 16,895,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	16,895,000	13,126,311	3,768,689	
		0	16,895,000	
<b>Total Funds</b>	<b>16,895,000</b>	<b>13,126,311</b>	<b>3,768,689</b>	
		0	16,895,000	

Amendment No.

**66**

**T00F00.19 Cybersecurity Investment Incentive Tax Credit Program**

Add the following language to the general fund appropriation:

, provided that this appropriation shall be contingent on the enactment of SB 318 or HB 378.

**Explanation:** The legislation was introduced in order to increase the activity under the Cybersecurity Investment Incentive Tax Credit Program. As currently structured, the tax credit has been significantly underutilized.

**T00**

**T00F00.23 Maryland Economic Development Assistance Authority and Fund**

Strike the following language:

~~provided that \$5,050,000 of this appropriation shall be contingent on the enactment of HB 161.~~

~~**Explanation:** This language would make a portion of the increased general fund allowance under the Maryland Economic Development Assistance Authority and Fund be contingent on a bill that restructures the program to expand allowable uses of, and broadens the limits on financial assistance from, the program.~~

Amendment No. **67**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <del>Reduce the increase in Maryland Economic Development Assistance Authority and Fund by half. This leaves \$18.8 million in general funds and \$6.2 million in special funds for business incentives under the program.</del>	5,000,000	GF
Total Reductions	5,000,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	23,873,234	18,873,234 23,873,234	5,000,000 0	
Special Fund	6,176,766	6,176,766	0	
<b>Total Funds</b>	<b>30,050,000</b>	<del>25,050,000</del> <b>30,050,000</b>	<b>5,000,000</b> 0	

Amendment No. **68**

## Maryland Technology Development Corporation

### Committee Narrative

**Report on Nonbudgeted Funds:** The Department of Legislative Services (DLS), the Department of Budget and Management (DBM), and the Maryland Technology Development Corporation (TEDCO) should examine the most appropriate and transparent means for providing annual information on TEDCO’s nonbudgeted funds. The agencies should consider reporting requirements that do not compromise TEDCO’s status as a quasi-public agency, but best inform the budgetary decisions required for State funding levels. The agencies should recommend a reporting approach that will be reflected in TEDCO’s fiscal 2019 budget submission.

Information Request	Authors	Due Date
Report on TEDCO nonbudgeted funds	DLS DBM TEDCO	With the submission of TEDCO’s fiscal 2019 budget request

**Maryland Venture Fund Annual Report:** The statutory requirements for the Maryland Venture Fund’s (MVF) annual report are limited to information on the InvestMaryland Program. However, this encompasses only a portion of the funds housed within the MVF. The budget committees are concerned that the most complete information be available and transparent in order to make informed budgetary and policy decisions. The annual report should include complete investment, fair market value, and return on investment data on all funds housed within the MVF; including funds related to the InvestMaryland Program, the legacy Enterprise Fund, federal funds under the State Small Business Credit Initiative, and other any funds credited to the MVF.

Information Request	Author	Due Date
Reported on detailed investment information on the MVF	Maryland Technology Development Corporation	With the submission of the annual report each year beginning with the fiscal 2017 report

**U00A**  
**Department of the Environment**

**Budget Amendments**

Add the following language:

Provided that no funding for information technology (IT) development projects may be spent in the budget of the Maryland Department of the Environment (MDE) until notification is provided to the Department of Information Technology (DoIT) and the budget committees. Upon notification, DoIT will determine if an IT project is a Major IT Development Project (MITDP) consistent with Section 3A-301 (f) of the State Finance and Procurement Article. If DoIT determines that a project is a MITDP, the project shall be consistent with MDE's Master Plan as required by Section 3A-307 of the State Finance and Procurement Article. For all major IT projects, MDE shall prepare an Information Technology Project Request (ITPR) consistent with Section 3A-308 of the State Finance and Procurement Article. The ITPR shall include a project description; business need or justification; the scope and complexity of the project; benefits; major risks; possible alternatives; and funding plan by year, fund source, and specific fund type.

**Explanation:** The General Assembly is concerned that MDE has not provided adequate information to the budget committees and DoIT about IT projects. This action restricts funding for IT projects until notification is provided to the budget committees and DoIT determines if a project is a MITDP as defined in State law. If a project is a MITDP, the project must be consistent with MDE's Master Plan and MDE must prepare an ITPR.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on IT development projects	MDE	As needed

**OPERATIONAL SERVICES ADMINISTRATION**

**U00A02.02 Operational Services Administration**

Reduce appropriation for the purposes indicated:	<u><b>Funds</b></u>	<u><b>Positions</b></u>
1. Delete funding for double-budgeted Maryland Energy Administration (MEA) rent. MEA includes the same amount of special fund appropriation in its budget. The Maryland Department of the Environment is authorized to process a reimbursable fund budget amendment in order to process the MEA rent payment.	170,000 SF	
Total Reductions	170,000	0.00

## U00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	46.00	46.00		0.00
General Fund	5,152,229	5,152,229	0	
Special Fund	2,824,179	2,654,179	170,000	
Federal Fund	1,449,771	1,449,771	0	
<b>Total Funds</b>	<b>9,426,179</b>	<b>9,256,179</b>	<b>170,000</b>	

### Committee Narrative

#### WATER MANAGEMENT ADMINISTRATION

##### U00A04.01 Water Management Administration

***Report on Compliance and Enforcement Inspections and Positions:*** To better understand the current status of enforcement and compliance activities within the Maryland Department of the Environment (MDE) and the Maryland Department of Agriculture (MDA), the budget committees request a report on the enforcement and compliance activities within the two agencies. The report shall be written by MDE and MDA and shall include the following:

- *an evaluation of the adequacy of Maryland's current authorized compliance and enforcement positions in the departments. In completing the assessment, the departments should provide information on the delegation of authority to other entities and assess the impact of the role that technology has played on compliance and enforcement responsibilities;*
- *a list of all inspection activities conducted by MDE's Water Management Administration, Land Management Administration, Air and Radiation Management Administration, and MDA's Office of Resource Conservation; and*
- *the number of regular positions and contractual full-time equivalents associated with the inspections, including the number of vacancies for the fiscal 2011 through 2017 actuals, the fiscal 2018 current and fiscal 2019 estimated positions, and a plan for filling vacant enforcement and compliance positions in fiscal 2018.*

*The report shall be submitted by November 15, 2017.*

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<i>Information Request</i>	<i>Authors</i>	<i>Due Date</i>
<i>Report on compliance and enforcement inspections and positions</i>	<i>MDE MDA</i>	<i>November 15, 2017</i>

### Budget Amendments

#### AIR AND RADIATION MANAGEMENT ADMINISTRATION

##### U00A07.01 Air and Radiation Management Administration

Strike the following language:

~~It is the intent of the General Assembly that the Maryland Department of the Environment purchase, install, and maintain air quality monitoring equipment in close proximity to the Brandon Shores Electric Generation Station and the H. A. Wagner Electric Generation Station in Anne Arundel County.~~

~~**Explanation:** The General Assembly is concerned about sulfur dioxide levels in the Curtis Bay Pasadena Area. Therefore, the General Assembly expresses its intent that the air quality be monitored in that area.~~

Amendment No.

69

#### COORDINATING OFFICES

##### U00A10.01 Coordinating Offices

Add the following language to the general fund appropriation:

, provided that \$500,000 of this appropriation for the Maryland Department of the Environment (MDE) Coordinating Offices made for the purpose of general operating expenses may not be expended until MDE submits quarterly reports on July 1, 2017; October 1, 2017; January 1, 2018; and April 1, 2018. The reports should discuss all information technology (IT) project activities undertaken by MDE including a listing of all IT development projects, a description of the actions undertaken in that quarter, an assessment of timeliness of the project with respect to the project schedule, a description of costs incurred in that quarter, and an assessment of the cost of the project with respect to estimated project costs. Funding restricted for this purpose may be released quarterly in \$125,000 installments upon receipt of the required quarterly reports. The budget committees shall have 45 days to review and comment upon

## U00A

receipt of each report. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees.

**Explanation:** The General Assembly is concerned that MDE has not provided adequate information to the budget committees and the Department of Information Technology about Major Information Technology Development projects. This action requires that MDE update the budget committees on all its IT development projects quarterly.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Quarterly reports on IT development projects	MDE	July 1, 2017 October 1, 2017 January 1, 2018 April 1, 2018

### U00A10.03 Bay Restoration Fund Debt Service

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for Bay Restoration Fund revenue bond debt service. The current revenue bond issuance schedule and prior issuance debt service schedule require only \$33,000,000 in the fiscal 2018 special fund appropriation.	5,000,000	SF
 Total Reductions	 5,000,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	38,000,000	33,000,000	5,000,000	
<b>Total Funds</b>	<b>38,000,000</b>	<b>33,000,000</b>	<b>5,000,000</b>	

**V00A**  
**Department of Juvenile Services**

**Budget Amendments**

**DEPARTMENTAL SUPPORT**

**V00D02.01 Departmental Support**

Add the following language to the general fund appropriation:

, provided that because the Department of Juvenile Services (DJS) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$50,000 of this agency's administrative appropriation may not be expended unless:

- (1) DJS has taken corrective action with respect to all repeat audit findings on or before November 1, 2017; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2018.

**Explanation:** The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

## V00A

### Committee Narrative

- **Use of Mechanical Restraints and Strip Searches:** In response to concerns from the General Assembly, the Department of Juvenile Services (DJS) has agreed to implement a number of the recommendations made by the Task Force to Study the Restraint, Searches, and Needs of Children in the Juvenile Justice System. The budget committees request that DJS provide the following information by December 1, 2017:
- an update on the progress made in implementing those recommendations;
- data on the use of strip searches pertaining to the circumstances, frequency, and outcomes for searches conducted in fiscal 2017;
- data on the number of times that youth are transported in mechanical restraints from a staff secure placement, while being released on an earned home pass, or released back to the community; and
- an evaluation of the potential for creating a nonsecure transportation, including both the fiscal and operational impact.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Use of restraints and strip searches	DJS	December 1, 2017

**W00A**  
**Department of State Police**

**Budget Amendments**

**MARYLAND STATE POLICE**

**W00A01.02 Field Operations Bureau**

Strike the following language:

~~provided that \$1,000,000 of this appropriation made for the purpose of funding a new trooper class may not be expended for that purpose but instead may be used only to fund the civilianization of a minimum of 50 positions currently filled by troopers, as identified in the Office of Legislative Audits' December 2016 Workforce Civilianization report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.~~

~~Further provided that \$400,000 of this appropriation made for the purpose of funding a new trooper class may not be expended until the Department of State Police (DSP) submits a report to the budget committees demonstrating that at least 50 positions currently filled by troopers have been reclassified as civilian positions by May 15, 2018. The report shall be submitted to the budget committees by May 25, 2018, and the budget committees shall have 35 days to review and comment. To the extent that positions are not successfully reclassified or the report is not submitted by the requested date, the restricted funds shall revert to the General Fund.~~

~~Further provided that the remaining \$1,000,000 of this appropriation made for the purpose of funding a new trooper class shall be deleted in recognition of anticipated personnel savings generated from filling the positions with less costly civilian staff.~~

~~It is the intent of the budget committees, given that DSP is currently in the process of evaluating the appropriate size of its workforce, that the civilianization of the 50 positions be achieved via attrition. As sworn position vacancies occur, troopers in administrative positions eligible for civilianization should be transferred into those newly vacant sworn positions and the administrative positions should be reclassified as civilian. This provides the department with less costly administrative staff and deployment of experienced officers in the field, while delaying the determination of whether the department needs additional sworn personnel resources until its staffing study is complete.~~

**Explanation:** A December 2016 analysis by the Office of Legislative Audits (OLA) determined that 127 administrative and support positions currently filled by sworn troopers could be filled by civilians. This change to civilian employees would result in total salary and fringe benefit savings of approximately \$10.8 million. The fiscal 2018 allowance for the Department of State Police (DSP) includes \$4.8 million to fund two new trooper classes, each with a target goal of 50 graduates. This language directs the department to utilize funding for one of the trooper classes to civilianize 50 of the positions identified in the OLA report, thus allowing 50 veteran

## W00A

~~officers to be deployed to the field, as opposed to 50 new recruits. The language specifies legislative intent that the civilianization occur through attrition of existing sworn positions, in order to avoid the need to provide additional resources until DSP has completed its staffing evaluation that is currently underway. Funds are restricted for the sole purpose of funding the reclassifications and pending receipt of a report demonstrating that at least 50 positions have been civilianized by May 15, 2018. Additionally, the language deletes \$1.0 million of the appropriation for the new trooper class in recognition of the anticipated personnel savings achieved from hiring less costly civilian staff.~~

<del>Information Request</del>	<del>Author</del>	<del>Due Date</del>
<del>Civilianization status report</del>	<del>DSP</del>	<del>May 25, 2018</del>

Amendment No.

70

**X00A00  
Public Debt**

**Budget Amendments**

**X00A00.01 Redemption and Interest on State Bonds**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the general fund appropriation to the Public Debt. On March 8, 2017, the State sold \$1,141 million in general obligation (GO) bonds, including \$575 million in tax-exempt bonds, \$100 million in taxable bonds, and \$466 million in refunding bonds. As a result of the bond sale, fiscal 2018 GO bond debt service costs are \$7 million less than budgeted. The refunding added another \$23 million to the Annuity Bond Fund's beginning fiscal 2018 fund balance. Taken together, the fiscal 2018 general fund appropriation can be reduced by \$30 million. This will require a special fund budget amendment in fiscal 2018 to fully fund debt service. The Administration is authorized to transfer the fund balance by budget amendment to support GO bond debt service.	30,000,000	GF
Total Reductions	30,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	263,000,000	233,000,000	30,000,000	
Special Fund	975,867,184	975,867,184	0	
Federal Fund	11,539,169	11,539,169	0	
<b>Total Funds</b>	<b>1,250,406,353</b>	<b>1,220,406,353</b>	<b>30,000,000</b>	

**A15000**  
**Payments to Civil Division of the State**

**Fiscal 2017 Deficiency**

**A15000.04 Teacher Retirement Administrative Fee Assistance**

Add the following language to the general fund appropriation:

, provided that this appropriation may only be distributed in accordance with HB 1109 or SB 1001, contingent upon the enactment of HB 1109 or SB 1001.

**Explanation:** This language requires the fiscal 2017 deficiency appropriation to be distributed to local school boards to partially offset the increase in normal cost retirement payments in fiscal 2017. The General Assembly restricted funds for this purpose in the fiscal 2017 budget bill but the funds were not released by the Governor.

**D18A18  
Governor's Office for Children**

**Fiscal 2017 Deficiency**

**D18A18.01 Governor's Office for Children**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Delete a deficiency appropriation intended for personnel costs.	100,775	GF
Total Reductions	100,775	0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
General Fund	100,775	0	100,775	
<b>Total Funds</b>	<b>100,775</b>	<b>0</b>	<b>100,775</b>	

**M00F03**  
**Prevention and Health Promotion Administration**  
**Department of Health and Mental Hygiene**

**Fiscal 2017 Deficiency**

**M00F03.04 Family Health and Chronic Disease Services**

Strike the following language from the general fund appropriation:

~~PREVENTION AND HEALTH PROMOTION ADMINISTRATION~~

~~M00F03.04 — Family Health and Chronic Disease Services~~

~~To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2017 to reflect the restructured grant payments for the proposed Prince George’s County Regional Medical Center.~~

~~General Fund Appropriation.....7,500,000~~

**Explanation:** This action strikes the negative deficiency appropriation for the Prince George’s County Regional Medical Center, restoring fiscal 2017 funding to the level of \$15,000,000.

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Restore funding for Prince George’s Hospital System in fiscal 2017.	-7,500,000	GF
 Total Reductions	 -7,500,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	-7,500,000	0	-7,500,000	
<b>Total Funds</b>	<b>-7,500,000</b>	<b>0</b>	<b>-7,500,000</b>	

**M00Q01**  
**Medical Care Programs Administration**  
**Department of Health and Mental Hygiene**

**Fiscal 2017 Deficiency**

**MEDICAL CARE PROGRAMS ADMINISTRATION**

**M00Q01.03 Medical Care Provider Reimbursements**

Amend the following language to the general fund appropriation:

~~, provided that \$375,000 of this appropriation made for the purpose of a managed care rate-setting study may not be used for that purpose and instead shall be expended only for provider reimbursements. Funding not used for this restricted purpose shall revert to the General Fund.~~

*, provided that \$375,000 of this appropriation made for the purpose of a managed care rate-setting study shall be limited to a review of potential improvements of the current rate-setting system used in Maryland and a review of innovations from other states in managed care payment systems similar to that in Maryland. The review should include potential recommendations. Any recommendations should serve to strengthen the current system but not at the cost of diminution of quality or access to care. The review may not include any consideration of the implementation of a competitive bidding process. Further provided that the Medical Care Programs Administration shall submit a summary of the study and any recommendations to the budget committees by November 15, 2017. Funding not used for this restricted purpose shall revert to the General Fund.*

**Explanation:** The language restricts funding included in a fiscal 2017 deficiency appropriation for a managed care rate-setting study to be used only for provider reimbursements based on estimates of significant deficiencies in the budget for those reimbursements.

*The fiscal 2018 budget includes a fiscal 2017 deficiency of \$750,000 (\$375,000 in both general and federal funds) for a review of the managed care rate-setting process. The language restricts the funding to a review of potential improvements that can be made within the current managed care framework, adds a reporting requirement, and precludes any consideration of implementing a competitive bidding process as numerous past studies have concluded that such a process would not be beneficial.*

<b><i>Information Request</i></b>	<b><i>Author</i></b>	<b><i>Due Date</i></b>
<i>Review of managed care rate-setting process</i>	<i>Medical Care Programs Administration</i>	<i>November 15, 2017</i>

Amendment No.

**71**

**M00Q01**

Reduce appropriation for the purposes indicated:	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Delete special fund support derived from the Uncompensated Care Fund. Under current law, the Uncompensated Care Fund cannot be used to support Medicaid expenditures.	10,000,000	SF
 Total Reductions	 10,000,000	 0.00

<b><u>Effect</u></b>	<b><u>Allowance</u></b>	<b><u>Appropriation</u></b>	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
General Fund	82,061,705	82,061,705	0	
Special Fund	37,900,000	27,900,000	10,000,000	
Federal Fund	681,538,295	681,538,295	0	
<b>Total Funds</b>	<b>801,500,000</b>	<b>791,500,000</b>	<b>10,000,000</b>	

## Sections

### Budget Amendments

Amend the following section:

SECTION 2. AND BE IT FURTHER ENACTED, That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:

- (a) To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools, and institutions by monthly, quarterly or seasonal periods and by objects of expense ~~and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. Upon the Secretary's own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted.~~

The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury a list limited to the appropriations restricted in this Act, to be placed in contingency reserve a schedule of allotments, if any. The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.

- ~~(b) To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school and institution of the State, from sources not estimated or calculated upon in the budget.~~

- ~~(e)~~ (b) The Secretary is authorized to fix the number and classes of positions, including temporary and permanent positions, or person years of authorized employment for each agency, unit, or program thereof, not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determination before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made except in accordance with the Secretary's determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board's jurisdiction without the approval of the Secretary, as provided in Section 15-105 of the Education Article.

- ~~(d)~~ (c) To prescribe procedures and forms for carrying out the above provisions.

## Sections

**Explanation:** This language limits the amount of appropriations that can be placed into contingency reserve to only those items restricted by the General Assembly.

Amend the following section:

### **Section 17 Using Funds for Their Intended Purpose**

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0217 (Health Insurance), 0305 (DBM Paid Telecommunications), 0322 (Capital Lease Telecommunications), 0839 (HR Shared Services), 0874 (Office of Attorney General Administrative Fee), 0876 (DoIT IT Services Allocation), 0894 (State Personnel System Allocation), 0897 (Enterprise Budget System Allocation), and 1303 (rent paid to DGS) are to be utilized for their intended purposes only. ~~The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management.~~ Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0217, 0305, 0322, and 0876 between State departments and agencies by approved budget amendment in fiscal 2017 and 2018. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State's accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.

**Explanation:** This amendment pertaining to restricted objects of expenditure is amended to disallow transfers to other purposes and makes it possible for the Office of Legislative Audits to track the disposition of funds in restricted statewide subobjects.

## Sections

Amend the following section:

### Section 19 Pension Sweeper Reduction

SECTION 19. AND BE IT FURTHER ENACTED, That for fiscal 2018 funding for retirement shall be reduced by ~~\$54,527,621~~\$55,769,368 in Executive Branch, Legislative Branch, and Judicial Branch agencies to reduce the retirement reinvestment contribution contingent upon the enactment of legislation reducing the amount of the retirement reinvestment contribution. Funding for this purpose shall be reduced in Comptroller Object 0161 (Employees' Retirement), Comptroller Object 0163 (Teachers' Retirement), Comptroller Object 0165 (State Police Retirement), Comptroller Object 0166 (Judges' Retirement), and Comptroller Object 0169 (Law Enforcement Officers' Retirement) within Executive Branch, Legislative Branch, and Judicial Branch agencies in fiscal 2018 by the following amounts in accordance with a schedule determined by the Governor:

	Agency	General Funds
<u>B75</u>	<u>General Assembly of Maryland</u>	<u>268,111</u>
<u>C00</u>	<u>Judiciary</u>	<u>918,366</u>
C80	Office of the Public Defender	324,895
C81	Office of the Attorney General	61,818
C82	State Prosecutor	4,372
C85	Maryland Tax Court	2,030
D05	Board of Public Works (BPW)	3,563
D10	Executive Department – Governor	34,357
D11	Office of the Deaf and Hard of Hearing	1,167
D12	Department of Disabilities	5,578
D15	Boards and Commissions	29,179
D16	Secretary of State	7,317
D17	Historic St. Mary's City Commission	7,031
D18	Governor's Office for Children	6,836
D25	BPW Interagency Committee for School Construction	7,225
D26	Department of Aging	7,073
D27	Maryland Commission on Civil Rights	8,598
D38	State Board of Elections	13,369
D40	Department of Planning	39,094
D50	Military Department	25,705
D55	Department of Veterans Affairs	14,214
D60	Maryland State Archives	15,819
E00	Comptroller of Maryland	242,629
E20	State Treasurer's Office	10,737
E50	Department of Assessments and Taxation	81,843
E75	State Lottery and Gaming Control Agency	35,199
E80	Property Tax Assessment Appeals Board	2,092
F10	Department of Budget and Management	61,362

## Sections

F50	Department of Information Technology	66,566
H00	Department of General Services	137,150
K00	Department of Natural Resources	280,976
L00	Department of Agriculture	71,847
M00	Department of Health and Mental Hygiene	1,428,551
N00	Department of Human Resources	872,106
P00	Department of Labor, Licensing, and Regulation	93,058
Q00	Department of Public Safety and Correctional Services	2,818,166
R00	Maryland State Department of Education – HQ	158,379
R00	Maryland State Department of Education – Aid	36,146,626
R15	Maryland Public Broadcasting Commission	21,074
R62	Maryland Higher Education Commission	11,684
R62	Maryland Higher Education Commission – Aid	1,546,848
R75	Support for State Operated Institutions of Higher Education	2,402,274
R99	Maryland School for the Deaf	92,625
T00	Department of Commerce	60,312
U00	Department of the Environment	91,096
V00	Department of Juvenile Services	549,480
W00	Department of State Police	911,603
	 Total General Funds	 48,813,523
		<u>50,000,000</u>

	Agency	Special Funds
<u>C00</u>	<u>Judiciary</u>	<u>55,270</u>
C80	Office of the Public Defender	549
C81	Office of the Attorney General	22,229
C90	Public Service Commission	53,580
C91	Office of the People’s Counsel	8,057
C94	Subsequent Injury Fund	7,125
C96	Uninsured Employers Fund	4,696
C98	Workers’ Compensation Commission	30,760
D12	Department of Disabilities	345
D13	Maryland Energy Administration	9,693
D15	Boards and Commissions	212
D16	Secretary of State	1,264
D17	Historic St. Mary’s City Commission	944
D26	Department of Aging	1,640
D38	State Board of Elections	1,348
D40	Department of Planning	2,405
D53	Maryland Institute for Emergency Medical Services Systems	34,565
D55	Department of Veterans Affairs	1,986
D60	Maryland State Archives	5,056
D78	Maryland Health Benefit Exchange	15,965
D80	Maryland Insurance Administration	91,776

## Sections

D90	Canal Place Preservation and Development Authority	809
E00	Comptroller of Maryland	54,212
E20	State Treasurer's Office	1,300
E50	Department of Assessments and Taxation	82,654
E75	State Lottery and Gaming Control Agency	53,483
F10	Department of Budget and Management	31,536
F50	Department of Information Technology	1,949
G20	State Retirement Agency	48,359
G50	Teachers and State Employees Supplemental Retirement Plans	4,519
H00	Department of General Services	4,739
J00	Department of Transportation	1,952,439
K00	Department of Natural Resources	211,378
L00	Department of Agriculture	25,171
M00	Department of Health and Mental Hygiene	148,993
N00	Department of Human Resources	20,096
P00	Department of Labor, Licensing, and Regulation	85,925
Q00	Department of Public Safety and Correctional Services	81,261
R00	Maryland State Department of Education	10,539
R15	Maryland Public Broadcasting Commission	29,013
R62	Maryland Higher Education Commission	1,511
S00	Department of Housing and Community Development	98,923
T00	Department of Commerce	19,530
U00	Department of the Environment	139,905
W00	Department of State Police	232,750
	 Total Special Funds	 3,635,189
		<u>3,690,459</u>

	Agency	Federal Funds
C81	Office of the Attorney General	10,917
C90	Public Service Commission	1,721
D12	Department of Disabilities	3,702
D13	Maryland Energy Administration	1,977
D15	Boards and Commissions	6,943
D26	Department of Aging	4,137
D27	Maryland Commission on Civil Rights	1,747
D40	Department of Planning	2,957
D50	Military Department	57,541
D55	Department of Veterans Affairs	2,268
D78	Maryland Health Benefit Exchange	12,430
D80	Maryland Insurance Administration	506
H00	Department of General Services	2,222
J00	Department of Transportation	108,920
K00	Department of Natural Resources	30,523
L00	Department of Agriculture	3,312

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M00	Department of Health and Mental Hygiene	286,443
N00	Department of Human Resources	803,409
P00	Department of Labor, Licensing, and Regulation	283,526
Q00	Department of Public Safety and Correctional Services	57,525
R00	Maryland State Department of Education	280,369
R62	Maryland Higher Education Commission	740
R99	Maryland School for the Deaf	1,485
S00	Department of Housing and Community Development	27,455
T00	Department of Commerce	1,606
U00	Department of the Environment	76,730
V00	Department of Juvenile Services	7,798
	 Total Federal Funds	 2,078,909
		Current
		Unrestricted
		Funds
	Agency	
R13	Morgan State University	226,825
R30	University System of Maryland	2,175,449
	 Total Current Unrestricted Funds	 2,402,274
	Less: General Funds in Higher Education	2,402,274
	 Net Current Unrestricted Funds	 – 0 –

**Explanation:** The Administration cannot reduce the legislature or Judiciary’s budgets. This action applies the retirement reinvestment contingent reduction to those budgets.

Add the following section:

### **Section 20 Executive Long-term Forecast**

SECTION 20. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a forecast of the impact of the Executive budget proposal on the long-term fiscal condition of the General Fund, the Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

## Sections

**Explanation:** This annual language provides for the delivery of the Executive's General Fund, transportation, and higher education forecasts and defines the conditions under which they are to be provided.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Executive forecasts	Department of Budget and Management	With the submission of the Governor's fiscal 2019 budget books

Add the following section:

### **Section 21 Across-the-board Reductions and Higher Education**

SECTION 21. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College.

**Explanation:** This section explicitly applies reductions intended for the full Executive Branch to the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College, unless their exclusion is specifically stated.

Add the following section:

### **Section 22 Chesapeake Employers' Insurance Company Fund Accounts**

SECTION 22. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (Workers' Compensation) and to credit all payments disbursed to the Chesapeake Employers' Insurance Company (CEIC) via transmittal. The control account shall also record all funds withdrawn from CEIC and returned to the State and subsequently transferred to the General Fund. CEIC shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

**Explanation:** This section provides continuation of a system to track workers' compensation payments to the CEIC Fund for payment of claims, current expenses, and funded liability for incurred losses by the State.

## Sections

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on status of ledger control account	CEIC	Monthly beginning on July 1, 2017

Add the following section:

### **Section 23 Reporting Federal Funds**

SECTION 23. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

**Explanation:** This annual language provides for consistent reporting of federal monies received by the State.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Reporting components of each federal fund appropriation	DBM	With submission of the fiscal 2019 budget

Add the following section:

### **Section 24 Federal Fund Spending**

SECTION 24. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.

## Sections

- (2) For fiscal 2018, except with respect to capital appropriations, to the extent consistent with federal requirements:
- (a) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Resources with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities;
  - (b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and
  - (c) DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.

**Explanation:** This annual language defines the policies under which federal funds shall be used in the State budget.

Add the following section:

### **Section 25 Indirect Costs Report**

SECTION 25. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide an annual report on indirect costs to the General Assembly in January 2018 as an appendix in the Governor's fiscal 2019 budget books. The report must detail by agency for the actual fiscal 2017 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the General Fund, and the amount of indirect cost recovery retained for use by each agency. In addition, the report must list the most recently available federally approved statewide and internal agency cost-recovery rates. As part of the normal fiscal/compliance audit performed for each agency, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2018, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery shall be transferred only to the General Fund and may not be retained in any clearing account or by any other means, nor may DBM or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

## Sections

**Explanation:** This is annual language that requires a report on indirect costs and disallows waivers of statewide cost recovery.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Annual report on indirect costs	DBM	With the submission of the Governor's fiscal 2019 budget books

Amend the following section:

### **Section 26 Reporting on Budget Data and Organizational Charts**

SECTION 26. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2019 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of Maryland. The presentation of budget data in the Governor's budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2018 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2017 spending, the fiscal 2018 working appropriation, and the fiscal 2019 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2017 spending, the fiscal 2018 working appropriation, and the fiscal 2019 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

Further provided that due diligence shall be taken to accurately report full-time equivalent counts of contractual full-time equivalents in the budget books. For the purpose of this count, contractual full-time equivalents are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.

Further provided that DBM shall provide to DLS the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

## Sections

Further provided that for each across-the-board reduction to appropriations or positions in the fiscal 2019 budget bill affecting fiscal 2018 or 2019, DBM shall allocate the reduction for each agency in a level of detail not less than the three-digit R\*Stars financial agency code and by each fund type.

Further provided that, for the purposes of developing Appendix A in the Maryland Budget Highlights for fiscal 2019, the Governor may not reflect more than \$30,000,000 in general fund reversions for fiscal 2018. For appropriations approved in this Act that are determined to be in excess of the needs of any agency or program above the aggregate estimate of \$30,000,000 in reversions, the fiscal 2019 budget bill should include negative deficiencies.

**Explanation:** This annual language provides for consistent reporting of fiscal 2017, 2018, and 2019 budget data and provides for the submission of department, unit, agency, office, and institutions' organizational charts to DLS with the allowance. It also requires DBM to allocate across-the-board reductions to positions or funding, to ensure transparency in budget allocations approved by the General Assembly. ~~It further requires that appropriations in fiscal 2018 that are deemed to be in excess of agency needs beyond the \$30 million assumed in the budget be withdrawn by deficiency appropriation.~~

Information Request	Author	Due Date
Agency organizational charts	DBM	With submission of the fiscal 2019 budget

Amendment No.

72

Add the following section:

### Section 27 Interagency Agreements

SECTION 27. AND BE IT FURTHER ENACTED, That on or before August 1, 2017, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2017 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

- (1) a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;

## Sections

- (2) the starting date for each agreement;
- (3) the ending date for each agreement;
- (4) a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
- (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full-time and part-time, associated with the agreement;
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;
- (8) total indirect cost recovery or facilities and administrative (F&A) expenditures authorized for the agreement;
- (9) the indirect cost recovery or F&A rate for the agreement and brief description of how the rate was determined;
- (10) actual expenditures for the most recently closed fiscal year;
- (11) actual base expenditures that the indirect cost recovery or F&A rate may be applied against the most recently closed fiscal year;
- (12) actual expenditures for indirect cost recovery or F&A for the most recently closed fiscal year; and
- (13) total authorized expenditure for any subaward(s) or subcontract(s) being used as part of the agreement and a brief description of the type of award or contract.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2017, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2017.

Further provided that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 may be entered into during fiscal 2018 without prior approval of the Secretary of Budget and Management.

**Explanation:** The language requires all State agencies and public institutions of higher education to report on all interagency agreements between State agencies and public institutions of higher education having a total potential expenditure over the term of the agreement in excess

## Sections

of \$100,000. This applies only to agreements for the purchase of goods and/or services and does not apply to grants or space agreements between State agencies and public institutions of higher education. The language requires that DBM submit a consolidated report on all agreements by December 1, 2017, to the budget committees and the Department of Legislative Services. Further, it requires that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 be entered into during fiscal 2018 without prior approval of the Secretary of Budget and Management.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Consolidated report on interagency agreements	DBM	December 1, 2017

Add the following section:

### **Section 28 Budget Amendments**

SECTION 28. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor's Office of Crime Control and Prevention or the Maryland Emergency Management Agency, made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section may not apply to budget amendments for the sole purpose of:
  - (a) appropriating funds available as a result of the award of federal disaster assistance; and
  - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee.
- (2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:
  - (a) that amendment has been submitted to the Department of Legislative Services (DLS); and
  - (b) the budget committees or the Legislative Policy Committee have considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary

## Sections

of the impact on regular position or contractual full-time equivalent payroll requirements.

- (3) Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:
- (a) restore funds for items or purposes specifically denied by the General Assembly;
  - (b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;
  - (c) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS, and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and
  - (d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.
- (4) A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.
- (5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.
- (6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.
- (7) Budget amendments for new major information technology projects, as defined by Sections 3A-301 and 3A-302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A-308 of the State Finance and Procurement Article.

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- (8) Further provided that the fiscal 2018 appropriation detail as shown in the Governor's budget books submitted to the General Assembly in January 2018 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.
- (9) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2019 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

**Explanation:** This annual language defines the process under which budget amendments may be used.

Add the following section:

### **Section 29 Maintenance of Accounting Systems**

SECTION 29. AND BE IT FURTHER ENACTED, That:

- (1) The Secretary of Health and Mental Hygiene shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2017 in program M00Q01.03 Medical Care Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the periodic reports required under this section for that program.
- (2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2017 to program R00A02.07 Students With Disabilities for nonpublic placements have been disbursed for services provided in that fiscal year and to prepare periodic reports as required under this section for that program.
- (3) The Secretary of Human Resources shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2017 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year, including detail on average monthly caseload, average monthly cost per case, and the total expended for each foster care program, and to prepare the periodic reports required under this section for that program.
- (4) For the programs specified, reports must indicate total appropriations for fiscal 2017 and total disbursements for services provided during that fiscal year up through the last

## Sections

day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.

- (5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller on November 1, 2017; March 1, 2018; and June 1, 2018.
- (6) It is the intent of the General Assembly that general funds appropriated for fiscal 2017 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

**Explanation:** This annual language requires the maintenance of accounting systems for certain programs, states the intent of the General Assembly that general funds not disbursed be reverted, and requires reporting of disbursements by the Department of Health and Mental Hygiene (DHMH), the Maryland State Department of Education (MSDE), and the Department of Human Resources (DHR).

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on appropriations and disbursements in M00Q01.03, R00A02.07, and N00G00.01	DHMH DHR MSDE	November 1, 2017 March 1, 2018 June 1, 2018

Amend the following section:

### **Section 30 Secretary's or Acting Secretary's Nomination and Salary**

SECTION 30. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended to pay the salary of a Secretary or an Acting Secretary of any department whose nomination as Secretary has been rejected by the Senate or an Acting Secretary who was serving in that capacity prior to the 2017 session whose nomination for the Secretary position was not put forward and approved by the Senate during the 2017 session unless the Acting Secretary is appointed under Article II, Section 11 of the Maryland Constitution prior to July 1, 2017.

Further provided that no funds in this budget may be expended to pay the salary of a Secretary or Acting Secretary of any department who was a recess appointment in 2016 and whose nomination as Secretary has been rejected by the Executive Nominations Committee, and whose nomination was withdrawn before the full Senate acted.

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**Explanation:** This language ensures that the intentions of the General Assembly are reflected in the payment of executive salaries.

Amendment No.

73

Add the following section:

### **Section 31 The “Rule of 100”**

SECTION 31. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2017, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that an equal number of positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of man that are necessary to protect the health and safety of the people of Maryland.

BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 contractual full-time equivalents (FTEs) are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in contractual FTEs for at least two years. Any position created by this method may not be counted within the limitation of 100 under this section.

The numerical limitation on the creation of positions by BPW established in this section may not apply to positions entirely supported by funds from federal or other non-State sources so long as both the appointing authority for the position and the Secretary of Budget and Management certify for each position created under this exception that:

- (1) funds are available from non-State sources for each position established under this exception; and

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- (2) any positions created will be abolished in the event that non-State funds are no longer available.

The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2018, the status of positions created with non-State funding sources during fiscal 2014 through 2018 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

**Explanation:** This annual language, the Rule of 100, limits the number of positions that may be added after the beginning of the fiscal year to 100 and provides for exceptions to the limit.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Certification of the status of positions created with the non-State funding sources during fiscal 2014 through 2017	Department of Budget and Management	June 30, 2018

Add the following section:

### **Section 32 Annual Report on Authorized Positions**

SECTION 32. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2017, the Secretary of Budget and Management shall determine the total number of full-time equivalent (FTE) positions that are authorized as of the last day of fiscal 2017 and on the first day of fiscal 2018. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2017 and 2018, including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and the Maryland Correctional Enterprises.

The Department of Budget and Management (DBM) shall also prepare a report during fiscal 2018 for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2019 Governor's budget books. It shall note, at the program level:

- (1) where regular FTE positions have been abolished;
- (2) where regular FTE positions have been created;
- (3) from where and to where regular FTE positions have been transferred; and

## Sections

(4) where any other adjustments have been made.

Provision of contractual FTE information in the same fashion as reported in the appendices of the fiscal 2018 Governor's budget books shall also be provided.

**Explanation:** This is annual language providing reporting requirements for regular positions and contractual full-time equivalents.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Total number of FTEs on June 30 and July 1, 2017	DBM	July 14, 2017
Report on the creation, transfer, or abolition of regular positions	DBM	As needed

Add the following section:

### **Section 33 Annual Executive Pay Plan Report**

SECTION 33. AND BE IT FURTHER ENACTED, That the Department of Budget and Management and the Maryland Department of Transportation are required to submit to the Department of Legislative Services (DLS) Office of Policy Analysis:

- (1) a report in Excel format listing the grade, salary, title, and incumbent of each position in the Executive Pay Plan (EPP) as of July 15, 2017; October 15, 2017; January 15, 2018; and April 15, 2018; and
- (2) detail on any lump-sum increases given to employees paid on the EPP subsequent to the previous quarterly report.

Flat-rate employees on the EPP shall be included in these reports. Each position in the report shall be assigned a unique identifier that describes the program to which the position is assigned for budget purposes and corresponds to the manner of identification of positions within the budget data provided annually to the DLS Office of Policy Analysis.

**Explanation:** Legislation adopted during the 2000 session altered the structure of the EPP to give the Governor flexibility to compensate executives at appropriate levels within broad salary bands established for their positions, without reference to a rigid schedule of steps, and through other compensation methods such as a flat rate salary. These reports fulfill a requirement for documentation of any specific recruitment, retention, or other issues that warrant a pay increase.

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Information Request	Authors	Due Date
Report on all EPP positions	Department of Budget and Management Maryland Department of Transportation	July 15, 2017; October 15, 2017; January 15, 2018; and April 15 2018

Add the following section:

### **Section 34 Positions Abolished in the Budget**

SECTION 34. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in positions abolished may continue State employment in another position.

**Explanation:** This language prevents employees from being moved into positions abolished in the budget. It also allows that incumbents in abolished positions may continue State employment in another position.

Add the following section:

### **Section 35 Annual Report on Health Insurance Receipts and Spending**

SECTION 35. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2019 Governor's budget books an accounting of the fiscal 2017 actual, fiscal 2018 working appropriation, and fiscal 2019 estimated revenues and expenditures associated with the employees' and retirees' health plan. The data in this report should be consistent with the budget data submitted to the Department of Legislative Services. This accounting shall include:

- (1) any health plan receipts received from State agencies, employees, and retirees, as well as prescription rebates or recoveries, or audit recoveries, and other miscellaneous recoveries;
- (2) any premium, capitated, or claims expenditures paid on behalf of State employees and retirees for any health, mental health, dental, or prescription plan, as well as any administrative costs not covered by these plans; and
- (3) any balance remaining and held in reserve for future provider payments.

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**Explanation:** This language provides an accounting of the health plan revenues received and expenditures made on behalf of State employees and retirees. The language proposes that the language in the report be consistent with the budget data submitted with the budget bill.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Accounting of the employee and retiree health plan revenues and expenditures	Department of Budget and Management	With submission of the Governor's fiscal 2019 budget books

Add the following section:

### **Section 36 Historical and Projected Chesapeake Bay Restoration Spending**

SECTION 36. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Maryland Department of Planning, the Department of Natural Resources, the Maryland Department of Agriculture, the Maryland Department of the Environment, and the Department of Budget and Management provide a report to the budget committees by December 1, 2017, on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The report should include:

- (1) fiscal 2017 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reduction; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;
- (2) projected fiscal 2018 to 2025 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;
- (3) an overall framework discussing the needed regulations, revenues, laws, and administrative actions and their impacts on individuals, organizations, governments, and businesses by year from fiscal 2017 to 2025 in order to reach the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay to be both written in narrative form and tabulated in spreadsheet form that is submitted electronically in disaggregated form to DLS;

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- (4) an analysis of the various options for financing Chesapeake Bay restoration including public-private partnerships, a regional financing authority, nutrient trading, technological developments, and any other policy innovations that would improve the effectiveness of Maryland and other states' efforts toward Chesapeake Bay restoration; and
- (5) an analysis by the University of Maryland Environmental Finance Center on how cost-effective the existing State funding sources – such as the Bay Restoration Fund, Chesapeake and Atlantic Coastal Bays 2010 Trust Fund, and Water Quality Revolving Loan Fund among others – are being used for Chesapeake Bay restoration purposes.

**Explanation:** This language expresses the intent that the Maryland Department of Planning (MDP), the Department of Natural Resources (DNR), the Maryland Department of Agriculture (MDA), the Maryland Department of the Environment (MDE), and the Department of Budget and Management (DBM) provide a report by December 1, 2017, on recent and projected Chesapeake Bay restoration spending and associated impacts and the overall framework to meet the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay. In addition, the language expresses the interest that the report include information on policy innovations that improve the effectiveness of Maryland and other states' efforts toward Chesapeake Bay restoration and an analysis of how cost-effective the State funding sources are being used.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Historical and projected Chesapeake Bay restoration spending	MDP DNR MDA MDE DBM	December 1, 2017

Add the following section:

### **Section 37 Chesapeake Bay Restoration Spending**

SECTION 37. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Budget and Management, the Department of Natural Resources, and the Maryland Department of the Environment provide a report on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the report is as follows: Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2017 actual, fiscal 2018 working appropriation, and fiscal 2019 allowance to be included

## Sections

as an appendix in the fiscal 2019 budget volumes and submitted electronically in disaggregated form to DLS.

**Explanation:** This language expresses the intent that the Department of Budget and Management (DBM), the Department of Natural Resources (DNR), and the Maryland Department of the Environment (MDE) provide, at the time of the fiscal 2019 budget submission, information on Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Summary of Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration	DBM DNR MDE	Fiscal 2019 State budget submission

Add the following section:

### **Section 38 Regional Greenhouse Gas Initiative Revenues and Expenditures**

SECTION 38. AND BE IT FURTHER ENACTED, That the Department of Budget and Management shall provide an annual report on the revenue from the Regional Greenhouse Gas Initiative (RGGI) carbon dioxide emission allowance auctions and set-aside allowances to the General Assembly in conjunction with the submission of the fiscal 2019 budget and annually thereafter as an appendix to the Governor’s budget books. This report shall include information for the actual fiscal 2017 budget, fiscal 2018 working appropriation, and fiscal 2019 allowance. The report shall detail revenue assumptions used to calculate the available Strategic Energy Investment Fund (SEIF) from RGGI auctions for each fiscal year including:

- (1) the number of auctions;
- (2) the number of allowances sold;
- (3) the allowance price for both current and future (if offered) control period allowances sold in each auction; and
- (4) anticipated revenue from set-aside allowances.

## Sections

The report shall also include detail on the amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required allocation:

- (1) energy assistance;
- (2) energy efficiency and conservation programs, low- and moderate-income sector;
- (3) energy efficiency and conservation programs, all other sectors;
- (4) renewable and clean energy programs and initiatives, education, climate change, and resiliency programs;
- (5) administrative expenditures;
- (6) dues owed to the RGGI, Inc.; and
- (7) transfers or diversions of revenue made to other funds.

The report should also provide detail on the fund balance for each SEIF subaccount for the fiscal 2017 actual, fiscal 2018 working appropriation, and fiscal 2019 allowance.

**Explanation:** This language requires the Department of Budget and Management (DBM) to include as an appendix in the Governor’s budget books for fiscal 2019 with detail on the revenue assumptions for RGGI auctions budgeted in each fiscal year as well as how those revenues are distributed to various agencies. This information increases transparency, differentiates funding from the SEIF that is available from sources other than RGGI auctions, and allows for analysis of whether the allocation of RGGI auction revenue meets statutory requirements. This language differs slightly from that included in prior years by asking for fund balance information on each SEIF subaccount, which generally reflects the RGGI allocations but also includes other funds held in the SEIF. The report does not require the SEIF balances to account for only RGGI-related fund balances within allocations.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report on revenue assumptions and use of RGGI auction revenue	DBM	With submission of the Governor’s fiscal 2019 budget books and annually thereafter

## Sections

Add the following section:

### **Section 39 Submission of the Uniform Crime Report**

SECTION 39. AND BE IT FURTHER ENACTED, That \$1,000,000 of the general fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2016 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further, provided that, if DSP encounters difficulty obtaining necessary crime data on a timely basis from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor's Office of Crime Control and Prevention (GOCCP). GOCCP shall withhold a portion, totaling at least 15%, but no more than 50%, of that jurisdiction's State Aid for Police Protection (SAPP) grant for fiscal 2018 upon receipt of notification from DSP. GOCCP shall withhold SAPP funds until such a time that the jurisdiction submits its crime data to DSP. DSP and GOCCP shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received on a timely basis and the amount of SAPP funding withheld from each jurisdiction.

**Explanation:** The annual language was originally added because DSP had not been submitting its annual crime report in a timely manner due to issues related to receiving crime data from the local jurisdictions. The 2015 UCR was not submitted until February 2017. As such, this language withholds a portion of the general fund appropriation until the budget committees receive the 2016 UCR. The language also specifies that GOCCP, upon receipt of notification from DSP, must withhold a portion of a delinquent jurisdiction's SAPP grant until certain crime data is received by DSP. Finally, DSP and GOCCP must submit a report to the budget committees that includes information on any jurisdiction that did not report crime data on a timely basis and the amount of SAPP funding that was withheld from each jurisdiction.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
2016 UCR	DSP	45 days prior to the expenditure of funds

## Sections

Add the following section:

### **Section 40 Increase Turnover Expectancy at the Department of Information Technology**

SECTION 40. AND BE IT FURTHER ENACTED, That the reimbursable fund appropriation in the Department of Information Technology, Infrastructure (F50B04.04) shall be reduced by \$135,000. The Governor shall develop a schedule for allocating this reimbursable fund reduction across State agencies. The reduction under this section shall equal at least the amount indicated for the funds listed:

<u>Fund</u>	<u>Amount</u>
General	\$81,000
Special	\$27,000
Federal	\$27,000

**Explanation:** Currently, 13% of positions are vacant. The department has consistently had high vacancy rates that exceeded 20% at times. Increasing the turnover rate to 6% reduces reimbursable fund spending by \$135,000. This reduction shall be distributed across State agencies.

Amend the following section:

### **Section 41 Repayment of Catastrophic Event Account *and Small, Minority, and Women-Owned Business Account***

SECTION 41. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for the Department of Budget and Management (DBM) Executive Direction program F10A01.01 and \$100,000 for the special fund appropriation for the Department of Housing and Community Development (DHCD) Office of the Secretary program S00A20.01 made for the purpose of operations may not be expended until DBM, in consultation with DHCD, submits a report to the budget committees on the balance of outstanding loans and current and proposed repayment for loans made by the DHCD's Neighborhood BusinessWorks program *for the purposes of Ellicott City flood recovery efforts*. It is the intent of the budget committees that DHCD repay the Catastrophic Event Account for \$2,500,000 transferred from the account to DHCD, *and that DHCD repay the Small, Minority, and Women-Owned Business Account for \$2,312,500 transferred from the account to DHCD*. The report shall be submitted by January 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund or be canceled if the report is not submitted to the budget committees.

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**Explanation:** In September 2016, \$2.5 million was transferred from the Catastrophic Event Account, and \$2.5 million was transferred from the Small, Minority, and Women-Owned Business Account into the DHCD Neighborhood BusinessWorks program to provide loans to businesses in Ellicott City. As part of its review of the transfer of funds from the Catastrophic Event Account, the Legislative Policy Committee recommended that DHCD develop a process by which the funds or repaid loans are deposited into the Catastrophic Event Account. The department should submit a report that provides data regarding the number and amount of loans provided, the outstanding balance of these loans, and the number and amount of any forgiven loans. This report should be submitted to the budget committees by January 1, 2018.

Information Request	Authors	Due Date
Report on Catastrophic Event Account and Small, Minority, and Women-Owned Business Account repayment	DBM DHCD	January 1, 2018

74

Amendment No.

Add the following section:

### **Section 42 Placement Determinations for Children with Complex Medical Needs**

SECTION 42. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation within the Department of Human Resources (DHR), \$100,000 of the general fund appropriation within the Department of Health and Mental Hygiene (DHMH), and \$100,000 of the general fund appropriation within the Maryland State Department of Education (MSDE) may not be expended until DHR, DHMH, and MSDE submit a report to the Senate Budget and Taxation Committee, the Senate Finance Committee, the House Appropriations Committee, and the House Health and Government Operations Committee detailing:

- (1) The processes in place to ensure coordination between DHMH, MSDE, DHR, and the hospitals serving children in Maryland to find appropriate community placements for children and adolescents with mental illness, developmental disabilities, or complex medical needs.
- (2) The processes in place to ensure coordination between DHMH, MSDE, DHR, and the hospitals serving children in Maryland to find out-of-home placements for children and adolescents with mental illness, developmental disabilities, or complex medical needs.

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- (3) The availability by jurisdiction of the following resources for children and adolescents with mental illness, developmental disabilities, or complex medical needs:
- (a) dedicated child and adolescent inpatient psychiatric beds in acute general and specialty hospitals;
  - (b) therapeutic foster care;
  - (c) residential treatment center services;
  - (d) transportation assistance; and
  - (e) any other community-based treatment service designed to meet the needs of children and adolescents with severe mental illness, developmental disabilities, or complex medical needs.
- (4) Recommendations, based on an analysis of the data, to improve community placement processes for children and adolescents with severe mental illness, developmental disabilities, or complex medical needs including availability of treatment options based on the payer, that will facilitate increased community-based care and decrease inpatient lengths of stay beyond what is medically necessary.

The report shall be submitted by November 15, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

**Explanation:** This language restricts funds until DHR and DHMH submit a joint report on the existing coordination between the agencies, MSDE, and hospitals serving Maryland children to determine appropriate community or out-of-home placements for children with mental illness, developmental disabilities, or complex medical needs. The language also requires a review of available resources for children with mental illness, developmental disabilities, or complex medical needs. The report is also to include recommendations to improve community placements that will decrease inpatient lengths of stay.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on placement determinations for children with complex medical needs	DHR DHMH MSDE	November 15, 2017

## Sections

Amend the following section:

### Section 43 Out-of-state Placement Determinations and Monitoring

SECTION 43. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation within the Department of Human Resources (DHR), ~~and~~ \$100,000 of the general fund appropriation within the Maryland State Department of Education (MSDE), and \$100,000 of the general fund appropriation within the Governor's Office for Children (GOC) may not be expended until DHR, ~~and~~ MSDE, and GOC submit a report to the budget committees detailing:

- (1) the processes in place to determine whether to place children in out-of-state placements when in-state resources cannot meet the needs of the child;
- (2) the processes in place to determine in which out-of-state facilities children are placed;
- (3) the frequency of the review of the out-of-state placement to determine whether or not the needs of the child can be met through an in-state provider;
- (4) the current processes in place between DHR and MSDE to ensure that the out-of-state facilities in which children are placed are compliant with the Individuals with Disabilities Education Act;
- (5) the current processes for monitoring children in out-of-state placements and any plans to alter these monitoring practices to ensure the safety of children in out-of-state placements; and
- (6) the resources that would be necessary (both funding and number and type of placements) to move all children in out-of-state placements to in-state placements.

The report shall be submitted by August 15, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

**Explanation:** This language restricts funds until DHR, ~~and~~ MSDE, and GOC submit a joint report that outlines the processes for determinations to place children in out-of-state facilities and in which facilities children are placed, including ongoing monitoring and frequency of reviews to determine whether the child should be returned to a placement in-state. The report is to also include information on the processes in place to ensure that the facilities in which children are placed are compliant with the Individuals with Disabilities Education Act. Finally, the report must identify the resources that would be necessary to move all children to in-state placements.

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Information Request	Authors	Due Date
Report on out-of-state placements	DHR MSDE GOC	August 15, 2017

Amendment No.

75

Strike the following language:

### ~~Section 44 Enforcement and Inspection Position Strength Assessment and Vacant Position Filling~~

~~Section 44. AND BE IT FURTHER ENACTED, That \$200,000 of the general fund appropriation in the Maryland Department of the Environment (MDE) and \$200,000 of the general fund appropriation in the Maryland Department of Agriculture (MDA) made for the purpose of general operating expenses may be expended only for the purpose of filling vacant compliance and enforcement positions, provided, however, that no funds may be expended until MDE and MDA jointly prepare and submit quarterly reports on July 1, 2017; October 1, 2017; January 1, 2018; and April 1, 2018; which shall include:~~

- ~~(1) — an evaluation of the adequacy of Maryland’s current authorized compliance and enforcement positions in the departments. In completing the assessment, the departments should:
  - ~~(a) — provide information on the delegation of authority to other entities; and~~
  - ~~(b) — assess the impact of the role that technology has played on compliance and enforcement responsibilities;~~~~
- ~~(2) — a comparison of the size, roles, and responsibilities of the departments’ compliance and enforcement positions to neighboring or similar states;~~
- ~~(3) — a list of all inspection activities conducted by MDE’s Water Management Administration, Land Management Administration, Air and Radiation Management Administration, and MDA’s Office of Resource Conservation; and~~

## Sections

~~(4) — the number of:~~

~~(a) — regular positions and contractual full-time equivalents associated with the inspections, including the number of vacancies for the fiscal 2011 through 2017 actuals; and~~

~~(b) — the fiscal 2018 current and fiscal 2019 estimated appropriations.~~

~~Further provided that funding restricted for this purpose may be released quarterly in \$50,000 installments for each agency upon receipt of the required quarterly reports. The budget committees shall have 45 days to review and comment on the submitted quarterly reports. Funds restricted may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees, and the released funding is not used to fill vacant compliance and enforcement positions.~~

~~**Explanation:** This language restricts funding until the submission of a report from MDE and MDA on compliance and enforcement inspections and positions and then further restricts the funding for filling vacant compliance and enforcement positions. The 2016 Joint Chairmen's Report included the request for a similar report on compliance and enforcement inspections and positions for Chesapeake Bay restoration. The submitted report was not responsive to the request because the agencies were unable to evaluate the requested information in the context of Chesapeake Bay restoration.~~

<del>Information Request</del>	<del>Authors</del>	<del>Due Date</del>
<del>Enforcement and inspection position strength assessment and vacant position filling</del>	<del>MDA MDE</del>	<del>July 1, 2017 October 1, 2017 January 1, 2018 April 1, 2018</del>

Amendment No.

76

Add the following section:

### Section 45 Change in Federal Fund Grants Reporting

SECTION 45. AND BE IT FURTHER ENACTED, That the budget committees are concerned about potential reductions in federal fund grants appropriated to State agencies in the fiscal 2018 budget. The budget committees request the Department of Budget and Management to submit a report in conjunction with the fiscal 2019 budget, which identifies reductions in federal grants which are 10% or more below what the State expected to receive in fiscal 2018. The report should identify the specific federal grant program by Catalog of Federal Domestic Assistance

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number and title, the State agency and program(s) affected by the federal reduction, the impact of the loss of federal grant aid, and whether State funds will be used to replace the lost federal grant aid.

**Explanation:** This language requires the Department of Budget and Management (DBM) to submit a report to the budget committees in conjunction with the fiscal 2019 budget, which identifies any federal grant which supports spending in the fiscal 2018 budget that has been reduced by 10% or more since the budget was enacted.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Changes in federal fund grants supporting the fiscal 2018 budget	DBM	In conjunction with the fiscal 2019 budget

Add the following section:

### **Section 46 Report on Increasing Veteran-owned Small Business Enterprise Participation**

SECTION 46. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation in the Maryland Department of Veterans Affairs (MDVA) and \$100,000 of the general fund appropriation in the Governor's Office of Minority Affairs (GOMA) may not be expended until:

- (1) MDVA and GOMA jointly submit a report to the budget committees including:
  - (a) methods to increase veteran-owned small business enterprise participation in State procurement and ensure compliance with the State's 1% purchasing goal;
  - (b) barriers to veteran-owned small business enterprise participation that hinder compliance with the State's 1% purchasing goal, including the requirement in Section 14-601 of the State Finance and Procurement Article for verification by the Center for Veterans Enterprise of the United States Department of Veterans Affairs;
  - (c) a comparison of the current Veteran-owned Small Business Enterprise Participation Program to similar programs in the federal government and other state governments, focusing on ease of access by interested firms, and methods of verification, certification, and fraud protection;
  - (d) a comparison of the current Veteran-owned Small Business Enterprise Participation Program to similar programs in Maryland, such as the Small

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Business Reserve Program and the Minority Business Enterprise Participation Program, focusing on ease of access by interested firms, and methods of verification, certification, and fraud prevention; and

- (e) specific recommendations for legislative and regulatory changes to increase compliance with the State's 1% purchasing goal for veteran-owned small business enterprise participation in State procurement.

The budget committees shall have 45 days to review and comment following the receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any purpose and shall revert to the General Fund if the report is not submitted to the committees.

**Explanation:** This section restricts funding for GOMA and MDVA pending receipt of a joint report on participation of veteran-owned small businesses in State contracting and the effectiveness of the Veteran-owned Small Business Enterprise Participation Program. The section also requires the agencies to submit recommendations to boost participation in State procurement by veteran-owned small businesses.

<b>Information Request</b>	<b>Authors</b>	<b>Due Date</b>
Report on increasing veteran-owned small business enterprise participation	MDVA GOMA	December 31, 2017

Add the following section:

### **Section 47 State Center**

SECTION 47. AND BE IT FURTHER ENACTED, That no funding in this budget may be expended to move State employees from 201 and 301 West Preston Street (State Center) to any other location until the Department of General Services (DGS) has submitted to the budget committees:

- (1) a qualitative and quantitative analysis of the need and the intended benefits of any relocation plan, including a budgetary impact statement; and
- (2) any lease agreement that would go to the Board of Public Works for approval that would result in relocating State employees from 201 and 301 West Preston Street (State Center) that outlines the terms and conditions of the lease.

The budget committees shall have 45 days to review and comment on any report submitted by DGS in compliance with this section.

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**Explanation:** The committees are concerned that State employees may be moved from 201 and 301 West Preston Street (State Center) without consideration for the impact it will have on State employees or the impact on the State budget. This language requires DGS to provide written notification, including an analysis of the benefits and costs of any proposed move of State employees from State Center, and a copy of any lease that would move State employees from State Center.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Relocation of employees from State Center	DGS	As needed